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COSTS OF PRODUCING MILK IN THE UNITED STATES—1974

PREPARED BY THE

ECONOMIC RESEARCH SERVICE
U.S. DEPARTMENT OF AGRICULTURE

PREPARED FOR THE

COMMITTEE ON AGRICULTURE AND FORESTRY
UNITED STATES SENATE

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LETTER OF TRANSMITTAL

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C.

Hon. JAMES O. EASTLAND,
President Pro Tempore of the Senate,
U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: The Congress, in Public Law 93–86, Agriculture and Consumer Protection Act of 1973, directed the Secretary of Agriculture to "* * * conduct a cost of production study of the wheat, feed grains, cotton and dairy commodities * * *". The enclosed report, "Costs of Producing Milk in the United States, 1974" is in response to that directive. The report "Costs of Producing Selected Crops in the United States, 1974" has been submitted and published as Committee Print 63–092 of the Committee on Agriculture and Forestry, U.S. Senate.

This report contains detailed summaries of the national and subregional average costs and the associated distributions for milk. Feed produced on the farm has been charged to the dairy enterprise at (1) the cost of producing that feed; and (2) the average price received by farmers in the State. Adverse weather in some subregions reduced feed crop yields, contributing to high feed costs. The estimates indicate great variability in production resources and management.

The Economic Research Service, in cooperation with the Statistical Reporting Service, conducted the study. An advisory committee of representatives of the national farm organizations, commodity organizations, and representatives of the land grant colleges assisted in planning the study. The cooperation of nearly 1,600 farmers who provided detailed data about their farm operations for 1974 is acknowledged with sincere appreciation.

We hope this information will be useful in answering questions related to farm costs.

Sincerely,

DON PAARLBERG,
Director of Agricultural Economics.

Enclosure.

FOREWORD

Earlier this year the U.S. Department of Agriculture submitted to the Committee on Agriculture and Forestry a cost of production study for wheat, feed grains, cotton and certain oilseed crops. At that time the Department indicated that a dairy cost of production study would be forthcoming. This report deals with that subject.

Some of the same problems the Department faced in determining costs of producing the above named crops were also faced in determining costs of producing milk. The report explains fully the methodology used.

According to the new study the direct cost of producing milk averaged $6.74 per hundredweight of milk valuing home grown feed at cost of production and $7.61 per hundredweight valuing feed at prices received by farmers. An imputed management charge and overhead costs averaged $1.32 per hundredweight. Imputed land allocations, depending upon the method used, were an additional $0.52 or $0.99 per hundredweight. The average price received for milk in 1974 as reported by the farmers surveyed was $8.39 per hundredweight.

It might be well to point out that table 2 and the footnotes thereto are important in understanding the meaning of these costs. And of course, the complete study explains them fully.

The study does not attempt to settle the debate on how farm production costs should be calculated. Nor does it address the dispute over how high, or how low milk price supports should be set.

But, it does provide landmark, basic data on which rational policy discussion can go forward and on which decisions can be made. It also provides a base to which cost information in the future can be compared.

The Committee on Agriculture and Forestry neither endorses nor rejects the methods used by ERS in this study. It is published in the Committee's continuing effort to disseminate, as widely as possible, information which will be helpful to farmers, consumers, the leaders of their organizations, educators, others involved in the business of providing food and fiber, and to those who play a role in farm and food policy determinations.

The Committee expresses its gratitude and acknowledgement to Dr. Quentin M. West, Administrator of ERS, to Dr. Burton French, project leader at ERS, to the men and women who worked diligently at ERS and the Statistical Reporting Service for collecting and correlating the massive amount of information necessary for a study of this nature, and to the men and women on the dairy farms who cooperated by making their cost and production data available to the authors.

HERMAN E. TALMADGE,
Chairman.

PREFACE

The Agriculture and Consumer Protection Act of 1973 called for the Secretary of Agriculture to conduct a cost of production study of wheat, feed grains, cotton, and dairy commodities, and to update these costs annually. This report fulfills the request for the 1974 cost of producing dairy commodities. Cost estimates for the 1974 crops of wheat, feed grains, and cotton were published previously.

In complying with the directive, the Commodity Economics Division, Economic Research Service, organized a task force to conduct this study. An enumerative survey of dairy farmers was conducted by the Statistical Reporting Service under the principal direction of Carroll Rock, Head, Enumerative Survey Section, and Robert Scranton, Economic and Special Surveys Section, Data Collection Branch. Many people in the Commodity Economics Division cooperated in this study. Those having major responsibility were:

Burton French, Task Force Chairman; David Cummins, Dairy; Elaine Morrison, Dairy; Duane Marquis, Technical Supervision; Robert Otto, Data Processing; Margaret Robinson, Statistical Assistance; and Dorothy Nolan, Statistical Assistance.

SUMMARY

The Agriculture and Consumer Protection Act of 1973 called for cost studies of selected major agricultural commodities. In response, the Economic Research Service conducted a survey of dairy farmers in 24 major milk producing areas to obtain information for estimating the average cost of producing milk in 1974. Several estimates of average costs per cow milked and per hundredweight of milk were computed, based on different methods of valuing feed and land. Two methods were used to value homegrown feed fed to dairy livestock: (1) at the cost of producing the feed, and (2) at average prices received by farmers. Two methods were used to value owner-operated land: (1) current value for agricultural uses, and (2) average acquisition value.

Determining an allocation for land presents special problems due to its role as both a required input in the production of milk and as an asset item. The input cost of land has been allocated, but the asset value of land has not been considered. Agricultural land values in the United States appreciated 14.2 percent between March 1974 and March 1975.

Direct costs averaged $6.74 per hundredweight of milk valuing homegrown feed at cost of production and $7.61 per hundredweight valuing feed at prices received by farmers. An imputed management charge and overhead costs averaged $1.32 per hundredweight. Imputed land allocations, depending upon the method used, were an additional $0.52 or $0.99 per hundredweight. The average price received for milk in 1974 as reported by the farmers surveyed was $8.39 per hundredweight.

Direct costs varied widely among subregions. Valuing homegrown feed at cost of production, costs ranged from $5.54 in subregion NC–2 (Minnesota) to $9.23 in subregion SE–10 (Florida). When homegrown feed was valued at average prices received, the range was $6.41 per hundredweight in the NC–5–GP–7 (Minnesota-South Dakota) subregion to $9.24 in SE–10 (Florida).

TABLE A.—MILK PRODUCTION COSTS PER HUNDREDWEIGHT BY MAJOR CATEGORIES, ALL SUBREGIONS, 1974[1]

Cost item	Feed at cost of production	Feed at price received by farmers
Labor	$1.23	$1.23
Feed	3.57	4.42
Buildings and equipment	.45	.45
Interest and depreciation on livestock investment	.66	.66
Interest on operating capital	.08	.10
Miscellaneous	.75	.75
Total, direct cost	6.74	7.61
Management and overhead	1.32	1.32
Total, excluding land	8.06	8.93
Land allocation:		
Current agricultural value	.99	.99
Average acquisition value	.52	.52

[1] See table 2, p. 11, for details of costs and footnotes.

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Feed comprises the largest component of direct cost, averaging $3.57 per hundredweight when valued at the cost of production. Feed costs ranged from $2.51 per hundredweight in NC–15 (southwestern Wisconsin-southeastern Minnesota) to $5.97 in SE–10 (Florida). The second largest cost component is labor, which averaged $1.23 over all subregions and ranged from $0.75 in SE–1 (Georgia) to $1.63 in NC–10 (Michigan). Feed and labor costs are almost three-fourths of total direct costs, with the remaining one-fourth being building and equipment costs ($0.45), interest and depreciation on livestock investment ($0.66), interest on operating capital ($0.08), and miscellaneous costs ($0.75).

Actual cash outlays to cover production costs would have been less than costs shown in this report to the extent that dairy farmers supplied their own and other unpaid family labor, management and other inputs and services. For example, the average labor cost of $1.23 per hundredweight consisted of $1.04 unpaid family labor and only $0.19 of hired labor. Likewise, management costs averaged $0.56 per hundredweight for hired managers and farm operators and average land allocations, including real estate taxes paid, were $0.52 or $0.99 per hundredweight depending upon the procedure used.

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COSTS OF PRODUCING MILK IN THE UNITED STATES—1974

INTRODUCTION

The need for current and consistent information on the costs of producing major agricultural commodities has increased in recent years because of rapid increases and fluctuations in prices of inputs used by farmers. The Agriculture and Consumer Protection Act of 1973 directed the Secretary of Agriculture to annually estimate the costs of producing certain major commodities. The Act specified that: [1] "The Secretary of Agriculture, in cooperation with the land grant colleges, commodity organizations, general farm organizations, and individual farmers, shall conduct a cost of production study of the wheat, feed grains, cotton and dairy commodities under the various production practices and establish a current national weighted average cost of production. This study shall be updated annually and shall include all typical variable costs, a return on fixed costs equal to the existing interest rates charged by the Federal Land Bank, and return for management comparable to the normal management fees charged by other comparable industries. These studies shall be based upon the size unit that requires one man to farm on a full-time basis."

The Secretary directed the Economic Research Service to conduct the study. This was done in cooperation with an advisory committee comprised of representatives of the major farm organizations, the related producer organizations, the regional agricultural economics associations, the American Agricultural Economics Association, and the land grant colleges. In addition, a representative of the Federal Extension Service within the Department of Agriculture served on the committee. [2]

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[1] Sec. 808, Public Law 93–86, 93d Cong., Agriculture and Consumer Protection Act of 1973.

[2] See app. H for the organization of the advisory committee.

OBJECTIVES

The major objectives of the study were to:

(1) Establish benchmark estimates of the national average cost of producing wheat, feed grains, cotton, and milk as required by law;

(2) Establish estimates of the average cost of producing important competing crops—soybeans, peanuts and flaxseed—and feed crops—oats, hay, silage and pasture;

(3) Measure the variability within and among the production subregions in practices, inputs, outputs, prices, and costs; and

(4) Provide a data base to be used for annually updating the estimates and for other research purposes.

This report presents estimates of the cost of producing milk for 1974. A similar report presenting the estimated cost of producing feed grains, wheat, cotton, and selected oil crops for 1974 was published by the Senate Committee on Agriculture and Forestry, Committee Print No. 63–092 U.S. Government Printing Office, January 1976.

METHODOLOGY

Source of Data

The enumerative survey approach was selected for this study to obtain information necessary for computing subregional and national average cost estimates because it enables measurements of the variation in costs among farms and subregions. The Statistical Reporting Service, USDA, conducted the interviews with farmers in January and February 1975.

Designation of Subregions and Sampling Method

Twenty-four major dairy production areas (subregions) of the United States were studied (fig. 1). Subregions GP–7 and NC–5 were treated as one subregion as were subregions NC–12 and A–2. The subregions were delineated to form areas with similar soils, cropping practices, and livestock enterprise patterns. The areas surveyed accounted for approximately 65 percent of total 1974 milk production.

The survey population in each subregion consisted of all farm units with 20 or more dairy cows except in subregions W–9 and SE–10, where the minimum number of dairy cows was 100. These lower limits defined the minimum size of a "one-man farm." The maximum number of cows was set at 2,500 in subregions W–9 and SE–10 and 500 in all others. Additionally, at least 60 percent of the total value of farm product sales must have been milk sales, and the farm must have been operated for the entire year. The population of dairy producers was specified using information obtained from Federal Milk Market Administrators' Offices and from selected State statistical reporting service offices.

An initial sample of 2,648 farms was drawn for the 24 subregions. The sampling rate and sample size varied among subregions with the size of the population and the estimated variability of costs among the farms. The number of farms disqualified from the survey totaled 1,054, or 40 percent of the initial sample. (See table 1 for the distribution of the 1,594 farms included in this report.) The majority of these were excluded for failing to meet the screening criteria of (1) minimum or maximum dairy herd sizes, (2) at least 60 percent of the farm product sales from dairy, or (3) a full year of operation in 1974.

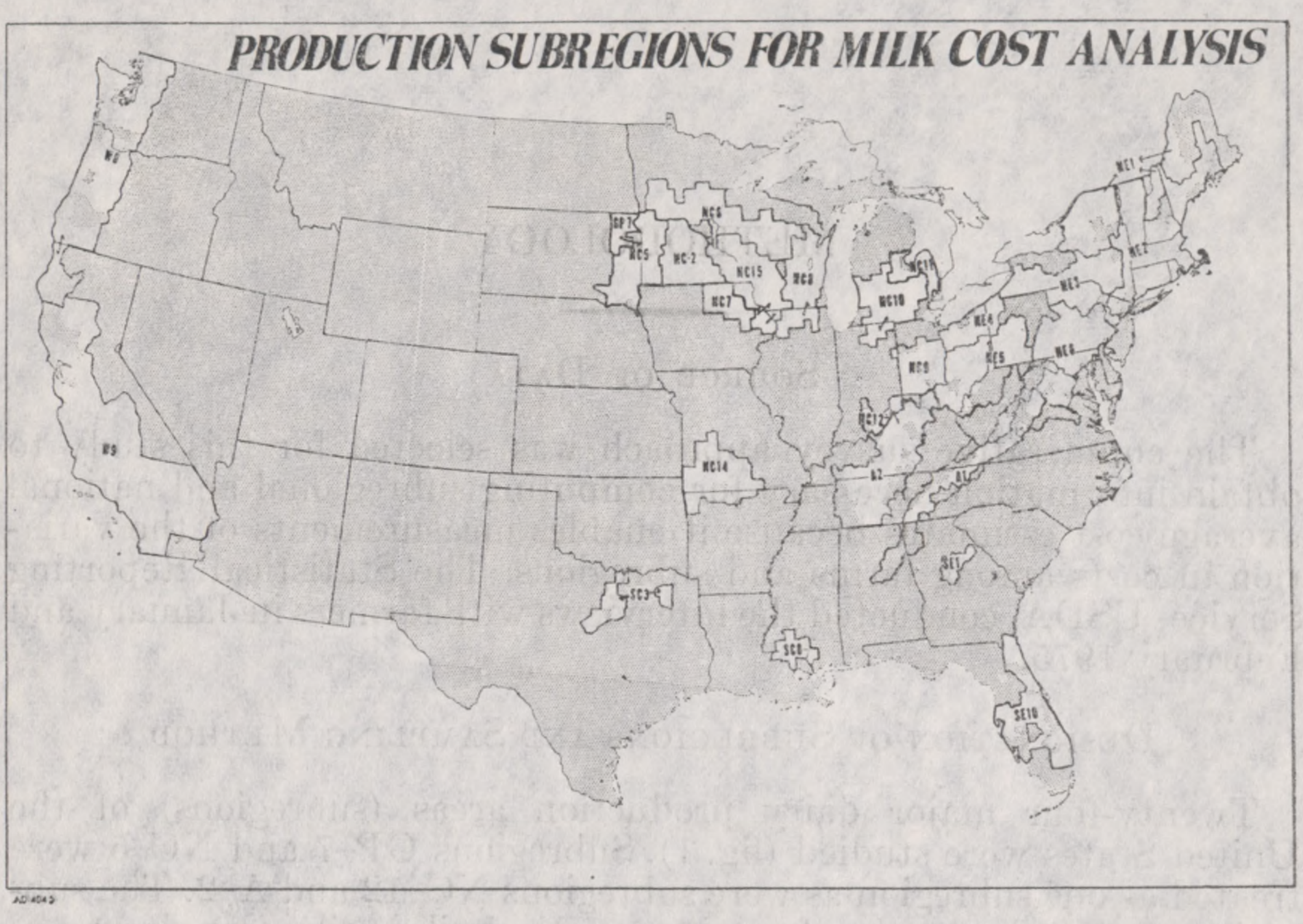

FIGURE 1

TABLE 1.—*Sample size by subregion*

Subregion	*Sample Size (usable questionnaires) number*	*Subregion*	*Sample Size (usable questionnaires) number*
NE–1	99	NC–9	54
NE–2	98	NC–10	64
NE–3	108	NC–11	29
NE–4	61	NC–8	89
NE–5	58	NC–15	70
NE–6	111	NC–6	82
A–1	68	NC–7	10
A–2 and NC–12	60	NC–2	58
SE–1	28	NC–5 and GP–7	53
SE–10	53	W–8	100
SC–3	24	W–9	84
SC–8	30		
NC–14	103	Total	1, 594

QUESTIONNAIRE CONTENT

Information on all direct cost items used in milk production and data needed to compute the costs of homegrown feed, overhead, management, and land allocations to the dairy and crops enterprises was obtained. Detailed information was also obtained on the livestock on the farm, land use and rental arrangements, irrigation costs, inputs relating to crops produced on the farm and used for dairy feed—field operations and practices, power and equipment inventory (including sizes and values)—and on hired labor used for producing crops and for working with the dairy herd. Information on fluid milk marketing (hauling and marketing fees), all feed fed to the dairy enterprise and to all other livestock on the farm, and on expenditures for overhead items such as taxes, insurance, recordkeeping, and building repairs was

also reported, along with revenues from the sales of crops and livestock and livestock products.

Since one of the objectives of this survey was to determine the variability of costs, the use of secondary data and subregional averages was minimized. Most of the data needed to estimate the cost of production was obtained from interviews with the individual milk producers. An exception was data used to compute power and equipment costs for crop production. These costs were computed using the type and size information for the machinery and equipment reported by each farmer in combination with coefficients and formulas from the Agricultural Engineer's Yearbook.[3] The crops designated for study in each subregion were those raised primarily for dairy feed and of sufficient importance to provide an adequate number of observations to assure reliable cost of production information for those crops. To reduce the burden on respondents, a farmer was asked for detailed information on no more than four feed crops (those with the largest acreage). Irrigated and dryland production of the same crop were considered as two separate crops.

Cost Concepts And Procedures

The congressional mandate specified that estimates of the total cost of production be provided for dairy commodities. Total costs include variable costs for purchased inputs and fixed costs for machinery, overhead, management, and land. Production cost theory is developed around a whole firm concept and provides little guidance in allocating certain costs for specific commodities produced by a multiproduct firm. For such firms and specific commodities, there are no single correct procedures in three important areas: (1) allocation of total farm general costs (overhead) to a specific farm enterprise; (2) allocation of costs of durable inputs (not used up in 1 year) to the specific enterprises; and (3) establishing an allocation for the unique land input.

In this study, total direct costs are the sum of the direct variable and fixed costs which can be clearly associated with the production of milk. Direct variable costs are the costs related to the dairy enterprise and are incurred only if dairy cows are maintained. These include the cost of purchasing or producing feed, veterinary expenses, breeding costs, artificial insemination expenses, fuels, lubricants, and labor used for the dairy enterprise. Direct fixed costs are those related to the production of milk which would be incurred even if milk were not produced. These include interest and replacement costs for machinery, power, buildings, breeding stock, and milking equipment. Indirect fixed costs are charges for inputs (management and overhead) that cannot be directly associated with a specific enterprise and must be proportionately allocated to the dairy enterprise by some procedure, and land cost, which may be determined by several alternative ways. Total cost is the resulting sum of the fixed and variable cost components.

Except for pricing operator and family labor, determining direct variable costs posed few problems as prices and quantities of inputs

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[3] "1974 Agricultural Engineer's Yearbook," American Society of Agricultural Engineers, 21st ed., May 1974, pp. 296–303.

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were readily available. Determining costs of the other items was less straightforward and relevant concepts and procedures are more fully discussed below.

LABOR

The charge for labor input is straightforward. All labor, including operator and family, used on the farm has been charged at the rate paid hired labor. If no labor was hired on the farm, the average wage rate for the subregion was used. There are several other approaches which could have been used to value the services of unpaid operator and family labor. For example, the "opportunity cost" approach would have required differentiating the quality of the operator and family labor for each farm and determining their best employment and earnings alternatives and the minimum labor earnings from dairying that would have been acceptable.

FARM OVERHEAD

General farm overhead costs on multiple enterprise farms, such as personal property taxes, insurance, general purpose buildings and equipment expenses, and similar costs not related to a specific enterprise, were allocated to the dairy enterprise based on its proportionate share of the total value of farm product sales. This allocation problem did not exist when there was only one enterprise on a farm or all of the crops produced were fed to the single livestock enterprise, but this was seldom the case.

MANAGEMENT

The 1973 Act specified that a "return for management comparable to the normal management fees charged by other comparable industries" be charged. A "comparable return" charge of 7 percent of total dairy enterprise product sales was used in this study and is thought to be consistent with the intent of the Act. The "comparable return" was based on fees charged by farm managers working for banks, insurance companies, and farm management companies who provide overall planning assistance but, ordinarily, not day-to-day management decisions. The charges for these services varied widely and are calculated in a number of ways, such as percentages of gross or net sales, landlord's share, and so forth.

Pricing the management input thus posed difficulties. There is no theoretical guide since management is usually rewarded residually by "profit." Furthermore, management is not commonly separated in farm management work and there are no standard fee schedules upon which to base these charges.

POWER AND EQUIPMENT

Operating costs for power and equipment are based on specific machinery complements reported by farmers for each crop and the dairy enterprise, and computed from engineering formulas obtained primarily from the Agricultural Engineer's Yearbook. An alternative approach would have been to obtain the actual variable and fixed costs from each farm operator for each crop. This approach was impractical since most farmers do not keep such detailed records.

In lieu of depreciation, a "replacement charge" based on what it would currently cost to acquire a piece of equipment was used in the study. The replacement cost concept assumes a capital reserve for the purchase of the new equipment when needed that takes into account price changes that occur during the expected useful life of the machine or equipment.

IRRIGATION COSTS

Total irrigation costs also must be allocated among crops. The method used in this study was to compute irrigation costs for each acre irrigated one time over for the entire farm and charge costs to each crop on the basis of the number of acres irrigated times the number or irrigations. This assumes that each acre irrigated for different crops received the same quantity of water. In dairying, irrigation is primarily used for forage production and pasture.

FEED

In the majority of dairy areas, most of the grains and forages fed on farms producing milk are home grown. Feed that is purchased is usually limited to commercial mixed feeds, supplements, and other minor feed items. All purchased feeds fed were included at the purchase cost. Feeds produced on the farm were valued by two different procedures and both results are reported in this study.

The first procedure for charging the dairy enterprise for homegrown feed was to use the cost of producing that feed on that farm. If a farmer did not report sufficient information to calculate his cost of producing a homegrown feed, the average cost of producing that feed crop computed for the subregion was used to value the quantity fed. The second procedure charged homegrown feeds at prices that could have been received for sales n the open market ("prices received by farmers"). Land and overhead charges for homegrown feed have been separated from the direct feed costs and are reported separately.

INTEREST

The interest charge for operating capital was computed by multiplying the current rate for 1974 Production Credit Association loans in each district times the estimate of the operating expenses involved in milk production, such as the custom services, materials, feed purchased, and the variable costs of operating power, machinery, and equipment. Interest charge on livestock investment was computed by multiplying the PCA rate times the January 1, 1974 inventory value for dairy livestock.

LAND

Traditionally, agricultural economists have estimated land allocations on the basis of (1) net share rent, (2) cash rent, or (3) an annual interest rate applied to some specified value of the land. Land allocations deserve special attention because of the current magnitudes relative to total costs, the diversity of methods of estimating land use allocations, and the sensitivity of agricultural land values to product prices, Government support programs, and potential urban development.

Any method of estimating an allocation to land is subject to limitations. Two separate methods of valuing land were used in this study for determining the land component: (1) current value for agricultural uses as estimated by dairy farmers; and (2) average acquisition value. (See app. A for a detailed explanation.) The appropriateness of a procedure for determining the land allocation would depend on the question asked. For many purposes, including short-run estimates of product supply, a land allocation is usually omitted from the cost of producing a commodity. Traditionally, land has been considered both as a residual claimant of income and as an income earning factor of production. The year-to-year decisions of farmers as to what to produce can be made without considering an allocation for owned land. However, for long-run analysis, an allocation for land (return to the factor) is an appropriate part of the total cost of production.

The 1973 Act specified that "a return on fixed cost equal to the existing rate charged by the Federal Land Banks" be included in the cost estimates. This implies the use of an "opportunity cost" allocation or what could be earned if the "value" of the land were invested at the current Federal Land Bank interest rate. However, the Act contains no specific definition of "value," that is, current market price, purchase price, and so forth.

Farmers were asked to report the value of their cropland for agricultural purposes, and one allocation for land was computed by multiplying the Federal Land Bank interest rate for the district in which the farm is located times this reported value. A problem associated with this method is that the average value of cropland may be influenced by factors such as potential urban development or recreational uses. Also, use of an appreciated land value to compute costs suggests that an offsetting capital gains income item be added to the returns generated by the commodity produced. Average agricultural land values in the United States appreciated 14.2 percent between March 1974 and March 1975.[4] An alternative to using current agricultural value is to value the land according to purchase price or acquisition value, including costs of subsequent improvements. The land allocation would be this value times the interest rate actually paid on the mortgaged tract.

To avoid the problem of land value determination, allocations based on actual outlays for use of land, such as net share and cash rental rates, have often been used. However, use of these procedures are not without problems. Net share rent may include payment for items other than land furnished by the landlord. These items include the use of buildings, fixed costs of irrigation facilities, risk, uncertainty, real estate taxes, and even the landlord's share of management. "Land" allocations based on the share rent of land thus may be overestimated since implicit payment to factors other than land likely are included. A further problem with net share rent is that a part of the production cost depends on the price of the product.

For a given farm, if all the cash rented acreage were planted to one crop, a good estimate of the land allocation for the production of that crop could be obtained. However, if the entire farm were cash rented, but only a portion was devoted to a particular crop (which was generally the case), the problem arises as to how much of the total rent payment is actually paid for the right to grow that particular crop.

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[4] Farm Real Estate Market Developments, CD–80, Economic Research Service, USDA, July 14, 1975.

LIMITATIONS OF ESTIMATES

In many respects the estimates of direct costs are more useful than estimates of total costs. Most direct costs and certain overhead costs such as personal property taxes must be met in the short run by producers if they are to remain in production. Therefore, direct cost estimates indicate required levels of short-run prices. In the longer run, land prices will adjust to levels that yield a competitive return on the farming operation. In using these total cost estimates, it should be recognized that, if product prices were to fall below the total costs calculated here, production could continue at the lower price levels in the long run if land values and rents (hence costs) also decline.

If prices of agricultural products rise, land prices and rents generally rise, resulting in an increase in the total cost of production as reported here. If the cost of production were to be used to determine price supports, the increased cost would necessitate an increase in the support price. Producers, basing expectations on increased support prices, would likely further bid up land prices and rents, resulting in higher cost of production estimates. Support prices would again be adjusted upward, resulting in a never-ending cost-price spiral.

Therefore, setting price supports near total cost of production estimates that reflect the influence of present prices could interfere with the efficient operation of a free market. Any decline in market prices would be cushioned by the support price, thus distorting the signal indicating the need to reduce production of milk. As a result, surpluses would likely occur unless some means of production control were also used. Also, since agricultural product prices tend to fluctuate more widely than industrial product prices, this tendency to allow agricultural prices to rise but not to fall would result in a sustained upward movement in farm product prices which, in turn, could cause a loss of markets and a buildup in stocks.

SURVEY RESULTS

National Highlights

Production costs per hundredweight of milk vary among the subregions, primarily reflecting differences in milk output per cow and land values. Weather is also an important factor in some years, as its effects on crop production may influence feeding rates and the mix of feeds and, consequently, milk output per cow. The survey average of 10,930 pounds of milk produced per cow on the farm was about 630 pounds higher than the U.S. average (excluding Alaska and Hawaii) in 1974. Production varied from about 8,500 pounds in subregion SC–3 to over 13,000 pounds in W–9 (appendix table E). The cost variation among subregions was less than that indicated by the differences in milk output per cow and land values considered independently. Areas with high output per cow tend to be areas with high land costs while low output areas tend to be areas with low land costs. No indication was given by the farmers interviewed that any one subregion suffered general or particular crop failure. Yields of the principal feed crops on survey farms appeared to be average or above average in each subregion for 1974 (appendix table F). However, yields on the survey farms probably were lower than in 1973, as indicated by published SRS data for all farms in individual States and districts within States.[5]

DIRECT COSTS

Direct costs per hundredweight of milk produced averaged $6.74 with homegrown feed valued at cost of production (table 2). Direct costs were $7.61, or $0.87 per hundredweight higher with homegrown feed valued at the average prices received by farmers. Total feed costs at cost of production were $3.57 or 53.0 percent of total direct costs, followed by $1.23 for labor, $0.75 for related miscellaneous expenses, $0.74 for interest and depreciation on the value of livestock and interest on operating capital, and $0.45 for repairs and interest on dairy enterprise buildings and equipment. Only 15 percent of dairy enterprise labor costs represents hired labor, with the balance being the imputed cost of the farm operator's and other family labor. The unpaid portion of the labor costs represents a sizable direct cost that does not have to be covered in the short run. Thus, the dairymen who hire only a small amount of labor have, at least, a short-run cash flow advantage.

[5] Crop Production, 1975 Annual Summary, CrPr2–1(76), SRS, USDA, Jan. 15, 1976.

TABLE 2.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, ALL SUBREGIONS

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$178.87	$1.23	$178.87	$1.23
Hired	28.03	.19	28.03	.19
Unpaid family	150.84	1.04	150.84	1.04
Feed	516.51	3.57	640.21	4.42
Grains	101.18	.70	145.68	1.01
Commercial	237.87	1.64	237.87	1.64
Forages	159.21	1.10	238.41	1.64
Other	18.25	.13	18.25	.13
Other costs	108.80	.75	108.80	.75
Hauling	35.20	.24	35.20	.24
Marketing costs	8.65	.06	8.65	.06
Other fees	2.57	.02	2.57	.02
Artificial insemination	8.27	.06	8.27	.06
Veterinary and medicine	14.46	.10	14.46	.10
Other expenses	39.65	.27	39.65	.27
Buildings and equipment	65.74	.45	65.74	.45
Repairs	17.67	.12	17.67	.12
Interest	48.07	.33	48.07	.33
Interest and depreciation on livestock investment	95.69	.66	95.69	.66
Interest on operating capital	12.02	.08	13.94	.10
Total, direct costs	977.63	6.74	1,103.25	7.61
Management [3]	81.96	.56	81.96	.56
Overhead:				
Total	110.83	.76	110.83	.76
Dairy	(79.59)	(.55)	(79.59)	(.55)
Total, excluding land	1,170.42	8.06	1,296.04	8.93
Land allocation, composite:				
Current land value total [4]	143.82	.99	143.82	.99
Homegrown feed acreage	131.63	.91	131.63	.91
Dairy farm lots	12.19	.08	12.19	.08
Average acquisition value total [5]	75.06	.52	75.06	.52
Homegrown feed acreage	70.24	.49	70.24	.49
Dairy farm lots	4.82	.03	4.82	.03

[1] Feed at cost of production includes homegrown feeds valued at cost of production as computed for each farm. All purchased feeds were included at cost. Where the feed was produced on the farm but detailed costs were not obtained, the average cost of production for the subregion was used. The overhead and land allocation charges were not included in "feed." They are included in the "overhead" and "land allocation" items. Feed at price received by farmers included homegrown feed at the reported State average prices received by farmers in 1974 as reported by the Statistical Reporting Service. (Agricultural Prices, Annual Summary 1974, PR 1–3 (75), June 1975.)

[2] Hundredweight of milk represents all milk sold, consumed on the farm, and the milk equivalent of all dairy cattle and calves sold. Milk equivalent is estimated by dividing total dollar sales by the milk price per hundredweight received by the farmers.

[3] The management charge is computed as 7 percent of the gross value of dairy product sales. No management charge was made for homegrown feed.

[4] The land allocation is a weighted composite computed with owned land at the farmer's estimate of the current value for agricultural purposes times the Federal Land Bank interest rate and rented land at the actual net share rent and/or cash rent paid. Homegrown feed acreage represents the cost of land utilized in feed crop production, including pasture. Dairy lots represent the cost of land in the farmstead used for housing and for exercising.

[5] The details in footnote 4 (above) apply, with the exception that owned land was valued at the average acquisition value.

Many dairy farmers produced milk at direct costs below the average of $6.74, and nearly 83 percent of the dairy farmers and 84 percent of milk production were associated with total direct costs below the average milk price received of $8.39 per hundredweight (appendix table E) for the subregions studied.[6]

[6] The weighted average of gross milk prices received as reported by the farmers interviewed, before deductions for local hauling and marketing services, compares with the United States (excluding Alaska and Hawaii) average of $8.32 for all milk sold wholesale to plants and dealers.

TOTAL COSTS

The level of total costs of milk production varies with the cost concepts and costing procedures as discussed earlier. Costs, excluding all land allocations, averaged $8.06 per hundredweight of milk produced. This compares with $8.93 when homegrown feed is valued at the average price received by farmers. In both cases, costs include overhead allocations and a management charge. Including land allocations adds $0.52 or $0.99 to production costs, yielding total costs of $8.58 or $9.05 per hundredweight of milk.

The cumulative distributions of milk production by cost level for selected costs are presented in table 3 and illustrated in figure 2. When all costs of production are considered (feed valued at cost of production) about 40 or 50 percent of the milk was produced at cost levels below the average price received with land at current or acquisition value. It should be stressed that normally there is a sizable capital gains component (not reflected in this study) associated with land value appreciation. The national average of current market land values rose 14.2 percent between March 1974 and March 1975 (25.5 percent between March 1973 and March 1974).

TABLE 3.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, ALL SUBREGIONS

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	15.5	6.2	2.2	.9	1.1
$6	37.7	20.6	11.4	3.2	5.3
$7	59.7	43.5	30.9	12.1	18.9
$8	78.8	64.7	52.4	31.0	41.8
$9	89.9	82.0	72.7	53.0	62.8
$10	95.7	90.8	86.0	73.1	80.5
$11	98.4	95.6	93.1	85.1	89.9
$12	99.4	98.1	96.8	91.8	95.1
$13	99.8	99.3	98.8	96.0	97.8
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	1.8	1.0	.4	.3	.4
$6	5.9	2.8	1.9	1.9	1.9
$7	16.3	9.8	5.5	5.3	5.5
$8	36.7	24.5	14.8	14.0	14.3
$9	61.3	49.2	35.4	33.6	34.4
$10	78.8	69.3	57.7	56.4	57.4
$11	88.7	83.9	76.2	75.2	75.9
$12	94.5	90.9	87.2	85.9	86.6
$13	96.9	95.5	93.8	93.2	93.7
$13 or more	100.0	100.0	100.0	100.0	100.0

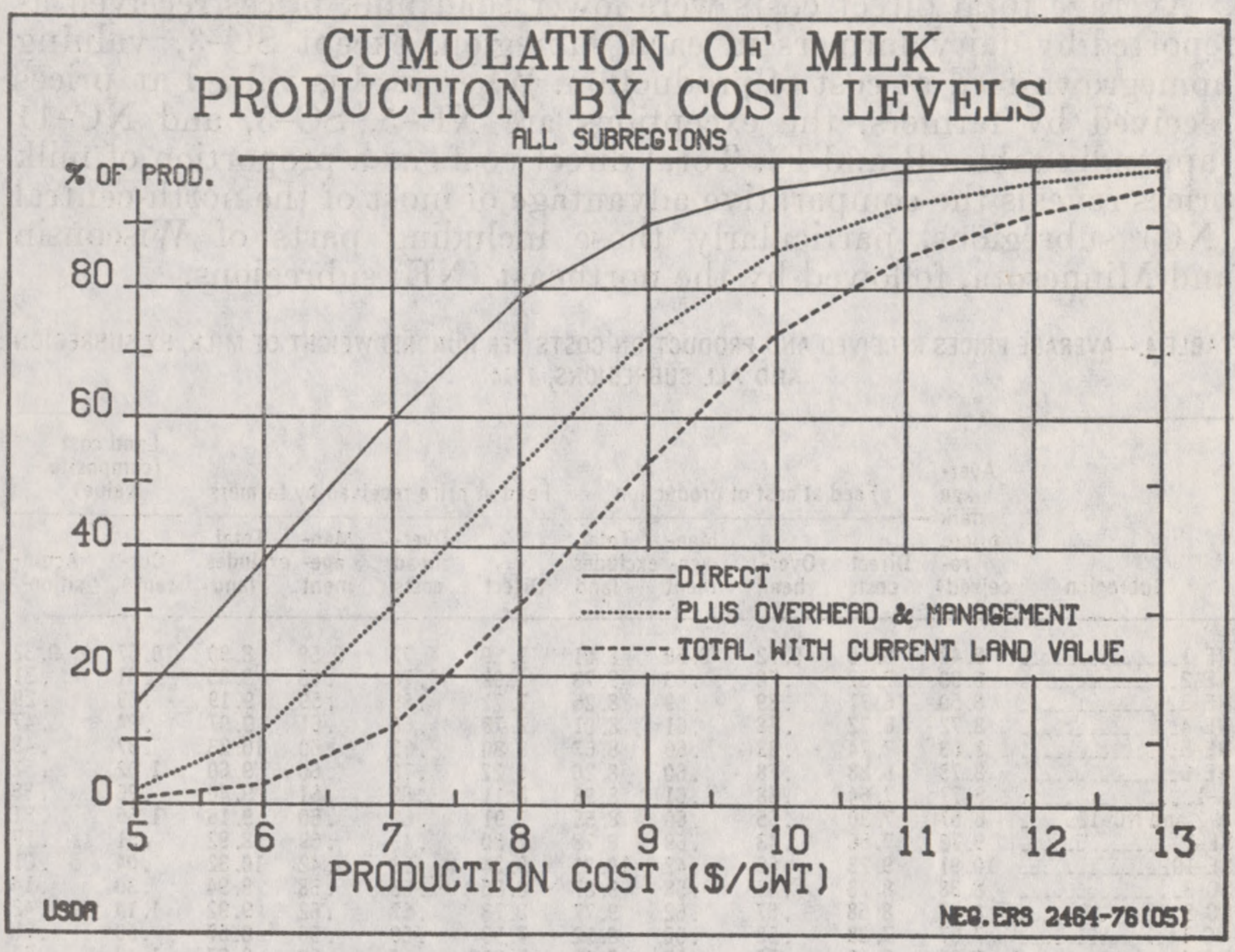

FIGURE 2

SUBREGIONAL HIGHLIGHTS

DIRECT COSTS

Total direct costs per hundredweight varied widely among subregions. With homegrown feed valued at cost of production, these costs ranged from $5.54 in subregion NC–2 to $9.23 in subregion SE–10 (table 4 and appendix table B). This compares with a range of $6.41 per hundredweight in the NC–5–GP–7 subregion to $9.24 in SE–10 when all homegrown feed is valued at the average price received by farmers. Direct costs, largely because of the variation in feed costs, are lowest in areas where most of the feed fed is homegrown, particularly the north-central (NC) subregions, and highest where most of the feed fed is purchased (SE–10, SC–3, SC–8). Feed costs ranged from $2.51 per hundredweight of milk produced in NC–15 to $5.97 in SE–10. Valuing feeds at market prices received by farmers rather than at cost of production boosts direct and total costs as much as $1.52 per hundredweight in a subregion.

Labor costs on dairy farms were fairly uniform among the subregions both on a per hundredweight basis and as a proportion of total direct costs. Despite wide differences in milking systems, quality of labor used, and labor wages paid, total labor costs ranged from $0.76 to $1.63 per hundredweight. Hired labor is of minor importance in most areas, but is very important in areas where larger dairy herds predominate, as in the southeast (SE) and south-central (SC) subregions and in W–9. Labor and feed costs combined accounted for at least two-thirds of total direct costs, and were as high as 80 percent (SE–1).

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Average total direct costs were lower than milk prices received as reported by dairy farmers in each subregion, except SC–3, valuing homegrown feed at cost of production. When feed is valued at prices received by farmers, the exceptions are NE–5, SC–3, and NC–11 (appendix tables B and F). Total direct costs as a proportion of milk prices reveals the comparative advantage of most of the north-central (NC) subregions, particularly those including parts of Wisconsin and Minnesota, followed by the northeast (NE) subregions.

TABLE 4.—AVERAGE PRICES RECEIVED AND PRODUCTION COSTS PER HUNDREDWEIGHT OF MILK, BY SUBREGION AND ALL SUBREGIONS, 1974

Subregion	Average milk prices received[1]	Feed at cost of production				Feed at price received by farmers				Land cost (composite value)	
		Direct costs	Overhead	Management	Total, excludes land	Direct	Overhead costs	Management	Total, excludes land	Current[2]	Acquisition[3]
NE–1	8.47	6.70	0.72	0.59	8.01	7.59	0.72	0.59	8.90	0.67	0.32
NE–2	8.99	7.32	.78	.63	8.73	7.92	.78	.63	9.33	.61	.31
NE–3	8.50	6.77	.89	.59	8.25	7.71	.89	.59	9.19	.59	.29
NE–4	8.72	6.72	.68	.61	8.01	7.78	.68	.61	9.07	.94	.47
NE–5	8.63	7.24	.83	.60	8.67	8.80	.83	.60	10.23	.87	.48
NE–6	8.73	6.88	.78	.60	8.26	8.22	.78	.60	9.60	1.02	.52
A–1	8.77	7.64	.68	.61	8.93	8.11	.68	.61	9.40	.96	.38
A–2 and NC–12	8.57	7.30	.65	.60	8.55	7.91	.65	.60	9.16	1.55	.81
SE–1	9.72	7.66	.43	.69	8.78	7.80	.43	.69	8.92	.51	.19
SE–10	10.91	9.23	.66	.42	10.31	9.24	.66	.42	10.32	.04	.01
SC–3	8.38	8.73	.56	.58	9.87	8.80	.56	.58	9.94	.30	.14
SC–8	8.87	8.58	.57	.62	9.77	8.73	.57	.62	9.92	1.14	.42
NC–14	7.97	7.38	.58	.56	8.52	7.53	.58	.56	8.67	.59	.25
NC–9	8.65	6.12	.74	.60	7.46	7.03	.74	.60	8.37	1.43	.77
NC–10	8.65	7.02	.86	.61	8.49	8.24	.86	.61	9.71	1.39	.76
NC–11	8.43	7.41	.69	.59	8.69	8.56	.69	.59	9.84	1.31	.75
NC–8	7.92	6.39	.85	.54	7.78	7.44	.85	.54	8.83	1.35	.72
NC–15	7.81	5.59	.78	.55	6.92	6.73	.78	.55	8.06	1.25	.63
NC–6	7.69	6.26	.95	.54	7.75	7.28	.95	.54	8.77	.99	.50
NC–7	7.45	6.46	.60	.52	7.58	6.91	.60	.52	8.03	1.98	.99
NC–2	7.45	5.54	.92	.51	6.97	6.43	.92	.51	7.86	1.50	.83
NC–5 and GP–7	7.41	5.99	.81	.52	7.32	6.41	.81	.52	7.74	1.27	.73
W–8	8.20	7.09	.61	.56	8.26	7.38	.61	.56	8.55	1.23	.69
W–9	8.37	7.65	.51	.52	8.68	8.11	.51	.52	9.14	.34	.24
All subregions	8.39	6.74	.76	.56	8.06	7.61	.76	.56	8.93	.99	.52

[1] The weighted average of gross milk prices, before deductions for local hauling and marketing services, reported by farmers.

[2] Based on prevailing tenure arrangements on each farm, reflecting actual combinations of cash rent, net share rent and owner-operator land allocations. Owned land is priced at current value for agricultural purposes.

[3] The details in footnote 2 (above) apply, except that owned land is priced at the average acquisition value for agricultural purposes.

TOTAL COSTS

Several estimates of total costs per hundredweight of milk are contained in the information in table 4 and the tables in appendix B. These estimates include overhead costs, an imputed charge for management, and composite land allocations reflecting rental payments and owned land at current agricultural value and at average acquisition value.

Total costs per hundredweight, excluding land, ranged from $6.92 in NC–15 to $11.31 in SE–10 with homegrown feed valued at cost of production. The range was from $7.74 in NC–5—GP–7 to $10.32 in SE–10 with feeds valued at prices received by farmers. Excluding land allocations, 14 subregions had average total costs lower than the respective average milk price received valuing feed at cost of production. Only three of the subregions had costs lower than prices with feed valued at prices received by farmers.

The distributions of milk production and dairy farmers by cost level, shown in appendix tables C and D, indicate that a substantial portion of an area's production can be produced at below average milk prices received in the short run. Resources that vary widely in quality, such as labor, managerial ability, and natural soil and climate conditions, underly these distributions.

Appendix A

ACCOUNTING METHODS

Specific accounting procedures for the cost items included in this study are discussed below.

Labor.—Labor costs were based on information obtained from the survey and from secondary sources. Wage rates were obtained from each producer for herdsmen, milkers, irrigators, crop laborers, and general farmworkers, with an accounting of all field operations performed on all crops including acres, number of times covered, and type and size of tractors and equipment used. Performance estimates for field operations were computed by utilizing the engineering formulas obtained from the Agricultural Engineer's Yearbook. The hours of direct labor used on mechanized field operations were computed as 1.25 times the hours of tractor or other power equipment used. If labor was hired, the actual rate paid by the operator was used in computing the cost of direct labor to the crop. If the operator hired no labor, the average rate for all hired labor in that wage category in the subregion was used to compute the labor charge. Indirect labor costs, including wages for foremen, mechanics and shopmen, were obtained from survey respondents and allocated according to the contribution of each enterprise to the total value of farm product sales. The resulting estimates of labor costs include direct and indirect labor for each crop and reflect a charge for operator and family labor as well as hired labor.

Labor for the dairy enterprise was obtained from the operator by asking the number of hours per day spent milking, feeding, and barn cleaning during the summer and winter feeding seasons. The number of weeks of summer and winter feeding also was obtained.

Power and equipment.—The total power and equipment costs include tractor costs, truck costs, mechanical harvesting costs and the costs of other general items of equipment. Costs of power and equipment used in producing crops were calculated using data on field operations obtained in the dairy survey, fuel consumption data published by the Nebraska Tractor Testing Laboratory, and the application of engineering formulas. The engineering formulas were used to estimate farm equipment performance rates and operating cost. Fuel costs were based on average prices paid in each State for the type of fuel used, as reported by the Statistical Reporting Service, less Federal excise and State gasoline taxes that were refunded to farmers for nonhighway use. Lubrication costs for all machinery were estimated to be 15 percent of the fuel costs.

Truck and wagon costs were allocated to the dairy enterprise on the basis of the percentage of the value of total farm production derived from dairying. Other power and equipment costs were allocated relative to use as indicated by survey data on crop operations.

The interest charge on all power and equipment was based on the actual purchase price as listed by the farm operator multiplied by the appropriate Production Credit Association interest rate. In lieu of the normally used depreciation, a replacement cost was calculated using

the 1974 list price of the individual farm machine applied to the engineering formula. Similarly, repair costs were based on a 1974 list price. Drying costs were calculated on the basis of costs required to dry 100 pounds of a particular crop, plus a repair and replacement allocation.

Materials.—Crop materials costs include the cost of seed, fertilizer, herbicides, insecticides, defoliants, fungicides, and other chemicals. These cost items were based on prices and quantities obtained from the producer. The cost of materials applied by custom operators is included, exclusive of the charge for the custom operation itself.

Custom services.—This includes expenses for custom application of materials (excluding costs of materials), other custom field operations, and custom feed grinding. All operations performed on a per acre or per job basis by custom services, including associated labor, power, and equipment costs, are included in this category.

Feed.—The specific types of feed fed to all livestock and to the dairy livestock were obtained from the farmers interviewed. The amounts of feeds produced on the farm were itemized along with the quantities and costs of feeds purchased. Wherever homegrown grains and forages were fed, they were charged at the cost of production estimated for that specific farm, if that particular commodity was surveyed in detail, or at the average cost of production for the subregion for all farms producing that crop, or, if no data was obtained in the dairy survey for that particular crop, the average cost as computed in the cost of producing crops. If a grain or forage fed to dairy livestock was homegrown and purchased, the dairy enterprise was charged for part of the homegrown and part of the purchased feed at their respective costs. Overhead costs and land allocations normally charged to homegrown feed crops were separated from total feed costs and are shown separately. No management was charged for crops since this would have amounted to crediting crops value twice—once as a crop enterprise and the other as value of milk produced from the feed.

Inasmuch as the farmer has the option of selling the grains and forages produced on the farm, a second method of valuing homegrown feed was also used to compute the cost. Here homegrown grains and forages were valued at average prices received by farmers as reported by the Statistical Reporting Service for the State in which the farm is located.

Other costs.—Hauling costs, marketing costs, and other fees were obtained in the survey. Veterinary medicine and artificial insemination costs were also obtained, along with expenditures for milking machine parts, milkhouse supplies, disinfectants, sprays, and registration fees.

Buildings and equipment.—The interest charge on buildings and equipment was the current Federal Land Bank interest rate for the particular State applied to the January 1, 1974, inventory value of buildings and equipment. This charge was divided among livestock enterprises in the same proportion that the livestock and livestock product sales for each enterprise was to the total livestock and livestock product sales for the farm. Building, fence, and equipment repairs expenditures were reported by the farmer, the total of which was allocated to the livestock enterprises on the same basis as was the interest charge.

Irrigation.—The variable costs of irrigation were obtained on the survey, including cost of water purchased, fuel, lubrication, and re-

pairs. The investment in irrigation pumps, wells, ponds, and distribution facilities was also obtained. The total irrigation cost was allocated to crops on the basis of the ratio of acres irrigated one time over for each crop relative to the total number of acres irrigated one time over for the entire farm.

Interest and depreciation on livestock investment.—The interest charge on livestock investment was the current Production Credit Association rate times the January 1, 1974 inventory value of all dairy enterprise livestock. The depreciation charge is the depreciation reported by the farmer on livestock purchased for breeding.

Interest charge on operating capital.—The interest charge on operating capital was computed by multiplying the existing Production Credit Association interest rate times a portion of the annual operating expenses. This assumed an average investment period of 6 months for the home grown feed crop enterprises and 2 months for the dairy enterprise. The estimate of total operating expenses for crop production is the sum of custom services, materials, and the variable costs of operating farm machinery and equipment. For dairying, operating expenses included veterinary charges, medicine, breeding fees, milkhouse supplies, equipment repairs, purchased feed, etc.

Overhead.—Overhead costs include personal property taxes, social security payments, drainage assessments, insurance payments, and administrative and maintenance payments. Overhead costs were allocated to dairying on the basis of the percentage that dairy product sales was of the total value of farm product sales.

Management.—The total management charge for each farm was calculated in one of two ways. First, if the farm operator hired a full-time manager (or managers), the management charge was based on the actual amount paid for management. Second, if the operator did not hire outside management, the calculated charge was 7 percent of the total value of dairy products.

Land.—In this study, two different land allocations were computed:

(1) The *first* land allocation was a weighted composite of the respective acreage actually share rented, cash rented, or owned by the operator. The owner-operator portion was based on the current value of cropland for agricultural purposes as estimated by farmers multiplied by the appropriate Federal Land Bank interest rate.

(2) The second land allocation was the same as the first except that the average value at the time acquired instead of the current agricultural value was used to compute the owner-operator portion.[7]

Real estate taxes were included as a part of the owner-operator land allocation. The number of acres of land included in the farm lot was not obtained in the interviews. An assumption was made that two acres was the size of the farm lot in all areas except California and Florida where this was increased to five acres because of the larger herd and farm sizes. The land that was used for growing feed crops was charged to the dairy enterprise indirectly when valuing the homegrown feeds at their cost of production.

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[7] Approximately 3 percent of the farmland is sold each year. Theoretically, all land would, therefore, change ownership over a 35-year period. The average of State per acre cropland values over the period 1940 to 1974 was determined by State. This average was then divided by the 1974 State cropland value to obtain an index for each State. To determine the estimated acquisition value of the cropland on each farm, this State index was multiplied by the reported value of agricultural cropland for each farm.

APPENDIX B

COSTS OF PRODUCING MILK BY SUBREGION

TABLE 1.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NE-1

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$171.31	$1.20	$171.31	$1.20
Hired	14.57	.10	14.57	.10
Unpaid family	156.74	1.10	156.74	1.10
Feed	488.58	3.43	613.23	4.30
Grains	22.29	.15	35.65	.24
Commercial	330.96	2.33	330.96	2.33
Forages	125.57	.88	236.86	1.66
Other	9.76	.07	9.76	.07
Other costs	117.23	.82	117.23	.82
Hauling	41.75	.29	41.75	.29
Marketing costs	10.92	.08	10.92	.08
Other fees	3.33	.02	3.33	.02
Artificial insemination	7.98	.06	7.98	.06
Veterinary and medicine	11.66	.08	11.66	.08
Other expenses	41.59	.29	41.59	.29
Buildings and equipment	76.02	.53	76.02	.53
Repairs	23.07	.16	23.07	.16
Interest	52.95	.37	52.95	.37
Interest and depreciation on livestock investment	92.22	.65	92.22	.65
Interest on operating capital	10.50	.07	12.35	.09
Total direct costs	955.86	6.70	1,082.36	7.59
Management [3]	83.20	.59	83.20	.59
Overhead:				
Total	103.02	.72	103.02	.72
Dairy	(78.52)	(.55)	(78.52)	(.55)
Total excluding land	1,142.08	8.01	1,268.58	8.90
Land allocation, composite:				
Current land value total [4]	95.82	.67	95.82	.67
Home grown feed acreage	90.90	.64	90.90	.64
Dairy farm lots	4.92	.03	4.92	.03
Average acquisition value total [5]	46.05	.32	46.05	.32
Homegrown feed acreage	44.60	.31	44.60	.31
Dairy farm lots	1.45	.01	1.45	.01

Footnotes at end of tables.

TABLE 2.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NE-2

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$210.89	$1.52	$210.89	$1.52
Hired	27.49	.20	27.49	.20
Unpaid family	183.40	1.32	183.40	1.32
Feed	536.27	3.86	618.49	4.45
Grains	17.24	.13	25.10	.19
Commercial	355.44	2.56	355.44	2.56
Forages	154.14	1.10	228.50	1.63
Other	9.45	.07	9.45	.07
Other costs	119.93	.86	119.93	.86
Hauling	37.33	.27	37.33	.27
Marketing costs	11.37	.08	11.37	.08
Other fees	2.00	.01	2.00	.01
Artificial insemination	8.57	.06	8.57	.06
Veterinary and medicine	14.97	.11	14.97	.11
Other expenses	45.69	.33	45.69	.33
Buildings and equipment	49.97	.36	49.97	.36
Repairs	14.85	.11	14.85	.11
Interest	35.12	.25	35.12	.25
Interest and depreciation on livestock investment	88.65	.64	88.65	.64
Interest on operating capital	10.94	.08	12.16	.09
Total direct costs	1,016.65	7.32	1,100.09	7.92
Management [3]	87.30	.63	87.30	.63
Overhead:				
Total	108.77	.78	108.77	.78
Dairy	(87.74)	(.63)	(87.74)	(.63)
Total excluding land	1,212.72	8.73	1,296.16	9.33
Land allocation, composite:				
Current land value total [4]	84.64	.61	84.64	.61
Homegrown feed acreage	76.66	.55	76.66	.55
Dairy farm lots	7.98	.06	7.98	.06
Average acquisition value total [5]	42.60	.31	42.60	.31
Homegrown feed acreage	39.77	.29	39.77	.29
Dairy farm lots	2.83	.02	2.83	.02

Footnotes at end of tables.

TABLE 3.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NE–3

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$178.29	$1.24	$178.29	$1.24
Hired	14.14	.10	14.14	.10
Unpaid family	164.15	1.14	164.15	1.14
Feed	501.70	3.49	634.74	4.41
Grains	64.19	.45	85.43	.60
Commercial	289.45	2.01	289.45	2.01
Forages	133.65	.93	245.45	1.70
Other	14.41	.10	14.41	.10
Other costs	119.50	.83	119.50	.83
Hauling	43.62	.30	43.62	.30
Marketing costs	9.57	.07	9.57	.07
Other fees	2.74	.02	2.74	.02
Artificial insemination	8.60	.06	8.60	.06
Veterinary and medicine	14.01	.10	14.01	.10
Other expenses	40.96	.28	40.96	.28
Buildings and equipment	71.95	.50	71.95	.50
Repairs	23.02	.16	23.02	.16
Interest	48.93	.34	48.93	.34
Interest and depreciation on livestock investment	91.76	.64	91.76	.64
Interest on operating capital	10.83	.07	12.83	.09
Total direct costs	974.03	6.77	1,109.07	7.71
Management [3]	85.61	.59	85.61	.59
Overhead:				
Total	128.34	.89	128.34	.89
Dairy	(97.07)	(.67)	(97.07)	(.67)
Total excluding land	1,187.98	8.25	1,323.02	9.19
Land allocation, composite:				
Current land value total [4]	85.51	.59	85.51	.59
Homegrown feed acreage	83.53	.58	83.53	.58
Dairy farm lots	1.98	.01	1.98	.01
Average acquisition value total [5]	43.20	.29	43.20	.29
Homegrown feed acreage	42.55	.29	42.55	.29
Dairy farm lots	.65	.00	.65	.00

Footnotes at end of tables.

TABLE 4.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUB-REGION NE-4

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$172.01	$1.18	$172.01	$1.18
Hired	12.74	.09	12.74	.09
Unpaid family	159.27	1.09	159.27	1.09
Feed	486.81	3.33	636.40	4.36
Grains	138.48	.95	232.32	1.59
Commercial	188.02	1.28	188.02	1.28
Forages	130.41	.90	186.16	1.29
Other	29.90	.20	29.90	.20
Other costs	121.15	.83	121.15	.83
Hauling	39.96	.27	39.96	.27
Marketing costs	13.36	.09	13.36	.09
Other fees	2.77	.02	2.77	.02
Artificial insemination	8.97	.06	8.97	.06
Veterinary and medicine	15.45	.11	15.45	.11
Other expenses	40.64	.28	40.64	.28
Buildings and equipment	106.73	.72	106.73	.72
Repairs	19.58	.13	19.58	.13
Interest	87.15	.59	87.15	.59
Interest and depreciation on livestock investment	86.67	.59	86.67	.59
Interest on operating capital	11.93	.07	14.31	.10
Total direct costs	985.30	6.72	1,137.27	7.78
Management [3]	89.44	.61	89.44	.61
Overhead:				
Total	99.80	.68	99.80	.68
Dairy	(70.57)	(.48)	(70.57)	(.48)
Total excluding land	1,174.54	8.01	1,326.51	9.07
Land allocation, composite:				
Current land value total [4]	138.32	.94	138.32	.94
Homegrown feed acreage	127.85	.87	127.85	.87
Dairy farm lots	10.47	.07	10.47	.07
Average acquisition value total [5]	67.57	.47	67.57	.47
Homegrown feed acreage	63.65	.44	63.65	.44
Dairy farm lots	3.92	.03	3.92	.03

Footnotes at end of tables.

TABLE 5.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NE-5

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$187.94	$1.38	$187.94	$1.38
Hired	27.05	.20	27.05	.20
Unpaid family	160.89	1.18	160.89	1.18
Feed	482.17	3.54	689.61	5.06
Grains	145.96	1.07	241.59	1.77
Commercial	184.06	1.35	184.06	1.35
Forages	129.49	.95	241.30	1.77
Other	22.66	.17	22.66	.17
Other costs	126.18	.93	126.18	.93
Hauling	45.85	.34	45.85	.34
Marketing costs	8.21	.06	8.21	.06
Other fees	9.68	.07	9.68	.07
Articial insemination	12.01	.09	12.01	.09
Veterinary and medicine	12.24	.09	12.24	.09
Other expenses	38.19	.28	38.19	.28
Buildings and equipment	78.14	.57	78.14	.57
Repairs	21.53	.16	21.53	.16
Interest	56.61	.41	56.61	.41
Interest and depreciation on livestock investment	101.87	.75	101.87	.75
Interest on operating capital	11.92	.07	15.21	.11
Total direct costs	988.22	7.24	1,198.95	8.80
Management [3]	82.39	.60	82.39	.60
Overhead:				
Total	113.39	.83	113.39	.83
Dairy	(75.82)	(.56)	(75.82)	(.56)
Total excluding land	1,184.00	8.67	1,394.73	10.23
Land allocation, composite:				
Current land value total [4]	119.33	.87	119.33	.87
Homegrown feed acreage	116.27	.85	116.27	.85
Dairy farm lots	3.06	.02	3.06	.02
Average acquisition value total [5]	65.19	.48	65.19	.48
Homegrown feed acreage	64.13	.47	64.13	.47
Dairy farm losts	1.06	.01	1.06	.01

Footnotes at end of tables.

TABLE 6.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NE-6

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$179.34	$1.32	$179.34	$1.32
Hired	19.99	.15	19.99	.15
Unpaid family	159.35	1.17	159.35	1.17
Feed	483.64	3.55	663.75	4.87
Grains	114.97	.84	191.13	1.40
Commercial	215.51	1.58	215.51	1.58
Forages	130.13	.96	234.08	1.72
Other	23.03	.17	23.03	.17
Other costs	108.47	.81	108.47	.81
Hauling	33.53	.25	33.53	.25
Marketing costs	9.19	.07	9.19	.07
Other fees	2.16	.02	2.16	.02
Artificial insemination	7.00	.05	7.00	.05
Veterinary and medicine	15.78	.12	15.78	.12
Other expenses	40.81	.30	40.81	.30
Buildings and equipment	63.21	.47	63.21	.47
Repairs	18.80	.14	18.80	.14
Interest	44.41	.33	44.41	.33
Interest and depreciation on livestock investment	86.46	.64	86.46	.64
Interest on operating capital	11.83	.09	14.67	.11
Total, direct costs	932.95	6.88	1,115.90	8.22
Management [3]	82.21	.60	82.21	.60
Overhead:				
Total	105.96	.78	105.96	.78
Dairy	(72.34)	(.53)	(72.34)	(.53)
Total, excluding land	1,121.12	8.26	1,304.07	9.60
Land allocation, composite:				
Current land value total [4]	139.36	1.02	139.36	1.02
Home grown feed acreage	136.24	1.00	136.24	1.00
Dairy farm lots	3.12	.02	3.12	.02
Average acquisition value total [5]	70.64	.52	70.64	.52
Home grown feed acreage	69.68	.51	69.68	.51
Dairy farm lots	.96	.01	.96	.01

Footnotes at end of tables.

TABLE 7.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION A-1

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$191.99	$1.39	$191.99	$1.39
Hired	44.20	.32	102.50	.74
Unpaid family	147.79	1.07	89.49	.65
Feed	583.14	4.21	647.00	4.67
Grains	50.65	.37	74.02	.54
Commercial	383.72	2.77	383.72	2.77
Forages	130.64	.94	171.13	1.23
Other	18.13	.13	18.13	.13
Other costs	110.23	.79	110.23	.79
Hauling	39.10	.28	39.10	.28
Marketing costs	15.11	.11	15.11	.11
Other fees	1.70	.01	1.70	.01
Artificial insemination	7.95	.06	7.95	.06
Veterinary and medicine	11.70	.08	11.70	.08
Other expenses	34.67	.25	34.67	.25
Buildings and equipment	56.57	.41	56.57	.41
Repairs	15.04	.11	15.04	.11
Interest	41.53	.30	41.53	.30
Interest and depreciation on livestock investment	103.94	.75	103.94	.75
Interest on operating capital	13.04	.09	14.05	.10
Total, direct costs	1,058.91	7.64	1,123.78	8.11
Management [3]	85.11	.61	85.11	.61
Overhead:				
Total	95.13	.68	95.13	.68
Dairy	(71.29)	(.51)	(71.29)	(.51)
Total, excluding land	1,239.15	8.93	1,304.02	9.40
Land allocation, composite:				
Current land value total [4]	132.93	.96	132.93	.96
Homegrown feed acreage	114.94	.83	114.94	.83
Dairy farm lots	17.99	.13	17.99	.13
Average acquisition value total [5]	52.81	.38	52.81	.38
Homegrown feed acreage	47.23	.34	47.23	.34
Dairy farm lots	5.58	.04	5.58	.04

Footnotes at end of tables.

TABLE 8.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION A-2 AND NC-12

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$183 99	$1. 38	$183. 99	$1. 38
Hired	37. 33	.28	52. 81	.40
Unpaid family	146. 66	1. 10	131. 18	.98
Feed	510. 58	3. 83	590. 30	4. 43
Grains	58. 11	.43	101. 22	.75
Commercial	318. 80	2. 39	318. 80	2. 39
Forages	112. 79	.85	149. 40	1. 13
Other	20. 88	.16	20. 88	.16
Other costs	119. 13	.89	119. 13	.89
Hauling	48. 80	.36	48. 80	.36
Marketing costs	11. 75	.09	11. 75	.09
Other fees	1. 18	.01	1. 18	.01
Artificial insemination	6. 35	.05	6. 35	.05
Veterinary and medicine	11. 99	.09	11. 99	.09
Other expenses	39. 06	.29	39. 06	.29
Buildings and equipment	51. 77	.39	51. 77	.39
Repairs	16. 02	.12	16. 02	.12
Interest	35. 75	.27	35. 75	.27
Interest and depreciation on livestock investment	95. 65	.72	95. 65	.72
Interest on operating capital	12. 35	.09	13. 83	.10
Total, direct costs	973. 47	7. 30	1, 054. 67	7. 91
Management [3]	79. 96	.60	79. 96	.60
Overhead:				
Total	85. 62	.65	85. 62	.65
Dairy	(64. 09)	(. 48)	(64. 09)	(. 48)
Total, excluding land	1, 139. 05	8. 55	1, 220. 25	9. 16
Land allocation, composite:				
Current land value total [4]	203. 08	1. 53	203. 08	1. 55
Homegrown feed acreage	149. 05	1. 12	149. 05	1. 12
Dairy farm lots	54. 03	.41	54. 03	.43
Average acquisition value total [5]	107. 10	.81	107. 10	.81
Homegrown feed acreage	87. 70	.66	87. 70	.66
Dairy farm lots	19. 40	.15	19. 40	.15

Footnotes at end of table.

TABLE 9.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION SE-1

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$105.76	$0.79	$105.76	$0.79
Hired	69.27	.52	69.27	.52
Unpaid family	36.49	.27	36.49	.27
Feed	713.43	5.33	731.61	5.46
Grains	2.56	.02	2.64	.02
Commercial	587.19	4.39	587.19	4.39
Forages	119.69	.89	137.79	1.02
Other	3.99	.03	3.99	.03
Other costs	89.18	.67	89.18	.67
Hauling	41.96	.31	41.96	.31
Marketing costs	11.58	.09	11.58	.09
Other fees	.64	.00	.64	.00
Artificial insemination	4.76	.04	4.76	.04
Veterinary and medicine	9.28	.07	9.28	.07
Other expenses	20.96	.16	20.96	.16
Buildings and equipment	21.10	.16	21.10	.16
Repairs	13.67	.10	13.67	.10
Interest	7.43	.06	7.43	.06
Interest and depreciation on livestock investment	83.38	.62	83.38	.62
Interest on operating capital	12.98	.09	13.26	.10
Total, direct costs	1,025.83	7.66	1,044.99	7.80
Management [3]	91.61	.69	91.61	.69
Overhead:				
Total	57.10	.43	57.10	.43
Dairy	(51.35)	(.38)	(51.35)	(.38)
Total, excluding land	1,174.54	8.78	1,193.00	8.92
Land allocation, composite:				
Current land value total [4]	67.92	.51	67.92	.51
Homegrown feed acreage	41.11	.31	41.11	.31
Dairy farm lots	26.81	.20	26.81	.20
Average acquisition value total [5]	26.13	.19	26.13	.19
Homegrown feed acreage	17.54	.13	17.54	.13
Dairy farm lots	8.59	.06	8.59	.06

Footnotes at end of tables.

TABLE 10.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION SE–10

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$145.61	$1.12	$145.61	$1.12
Hired	145.59	1.12	145.59	1.12
Unpaid family	.02	0	.02	0
Feed	775.57	5.97	776.59	5.98
Grains	1.21	.01	1.21	.01
Commercial	726.86	5.60	726.86	5.60
Forages	43.30	.33	44.32	.34
Other	4.20	.03	4.20	.03
Other costs	107.97	.83	107.97	.83
Hauling	31.16	.24	31.16	.24
Marketing costs	20.29	.16	20.29	.16
Other fees	1.49	.01	1.49	.01
Artificial insemination	5.56	.04	5.56	.04
Veterinary and medicine	12.18	.09	12.18	.09
Other expenses	37.29	.29	37.29	.29
Buildings and equipment	23.45	.18	23.45	.18
Repairs	9.48	.07	9.48	.07
Interest	13.97	.11	13.97	.11
Interest and depreciation on livestock investment	133.60	1.03	133.60	1.03
Interest on operating capital	13.54	.10	13.55	.10
Total, direct costs	1,199.74	9.23	1,200.77	9.24
Management [3]	54.02	.42	54.02	.42
Overhead:				
Total	85.06	.66	85.06	.66
Dairy	(83.87)	(.65)	(83.87)	(.65)
Total, excluding land	1,338.82	10.31	1,339.85	10.32
Land allocation, composite:				
Current land value total [4]	5.36	.04	5.36	.04
Homegrown feed acreage	4.37	.03	4.37	.03
Dairy farm lots	.99	.01	.99	.01
Average acquisition value total [5]	2.63	.01	2.63	.01
Homegrown feed acreage	2.31	.01	2.31	.01
Dairy farm lots	.32	0	.32	0

Footnotes at end of tables.

TABLE 11.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION SC–3

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$120.17	$0.87	$120.17	$0.86
Hired	61.44	.44	61.44	.44
Unpaid family	58.73	.42	58.73	.42
Feed	808.03	5.84	820.78	5.92
Grains	113.88	.82	113.89	.82
Commercial	511.03	3.69	511.03	3.69
Forages	178.34	1.30	191.08	1.38
Other	4.78	.03	4.78	.03
Other costs	126.09	.91	126.09	.91
Hauling	50.83	.37	50.83	.37
Marketing costs	16.19	.12	16.19	.12
Other fees	.45	0	.45	0
Artificial insemination	8.98	.06	8.98	.06
Veterinary and medicine	13.82	.10	13.82	.10
Other expenses	35.82	.26	35.82	.26
Buildings and equipment	26.19	.19	26.19	.19
Repairs	9.15	.07	9.15	.07
Interest	17.04	.12	17.04	.12
Interest and depreciation on livestock investment	111.64	.81	111.64	.81
Interest on operating capital	15.10	.11	15.30	.11
Total, direct costs	1,207.22	8.73	1,220.17	8.80
Management [3]	79.93	.58	79.93	.58
Overhead:				
Total	78.40	.56	78.40	.56
Dairy	(69.73)	(.50)	(69.73)	(.50)
Total, excluding land	1,365.55	9.87	1,378.50	9.94
Land allocation, composite:				
Current land value total [4]	43.34	.30	43.34	.30
Homegrown feed acreage	31.76	.22	31.76	.22
Dairy farm lots	11.58	.08	11.58	.08
Average acquisition value total [5]	20.79	.14	20.79	.14
Homegrown feed acreage	14.97	.10	14.97	.10
Dairy farm lots	5.82	.04	5.82	.04

Footnotes at end of tables.

TABLE 12.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION SC-8

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$125.62	$1.00	$125.62	$1.00
Hired	39.21	.31	39.21	.31
Unpaid family	86.41	.69	86.41	.69
Feed	669.70	5.39	687.94	5.53
Grains	50.73	.41	54.86	.44
Commercial	425.77	3.42	425.77	3.42
Forages	183.70	1.48	197.81	1.59
Other	9.50	.08	9.50	.08
Other costs	113.58	.91	113.58	.91
Hauling	42.32	.34	42.32	.34
Marketing costs	16.10	.13	16.10	.13
Other fees	.75	.01	.75	.01
Artificial insemination	6.04	.05	6.04	.05
Veterinary and medicine	11.79	.09	11.79	.09
Other expenses	36.58	.29	36.58	.29
Buildings and equipment	36.71	.30	36.71	.30
Repairs	13.28	.11	13.28	.11
Interest	23.43	.19	23.43	.19
Interest and depreciation on livestock investment	108.43	.87	108.43	.87
Interest on operating capital	14.72	.11	15.03	.12
Total, direct costs	1,068.76	8.58	1,087.31	8.73
Management [3]	77.28	.62	77.28	.62
Overhead:				
Total	71.43	.57	71.43	.57
Dairy	(57.36)	(.46)	(57.36)	(.46)
Total, excluding land	1,217.47	9.77	1,236.02	9.92
Land allocation, composite:				
Current land value total [4]	141.67	1.14	141.67	1.14
Homegrown feed acreage	76.76	.62	76.76	.62
Dairy farm lots	64.91	.52	64.91	.52
Average acquisition value total [5]	52.07	.42	52.07	.42
Homegrown feed acreage	29.06	.24	29.06	.24
Dairy farm lots	23.01	.18	23.01	.18

Footnotes at end of tables.

TABLE 13.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NC–14

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$175.12	$1.28	$175.12	$1.28
Hired	19.69	.14	19.69	.14
Unpaid family	155.43	1.14	155.43	1.14
Feed	564.77	4.15	584.84	4.29
Grains	73.26	.54	77.68	.57
Commercial	370.44	2.72	370.44	2.72
Forages	107.29	.79	122.94	.90
Other	13.78	.10	13.78	.10
Other costs	99.40	.73	99.40	.73
Hauling	36.68	.27	36.68	.27
Marketing costs	3.42	.03	3.42	.03
Other fees	4.47	.03	4.47	.03
Artificial insemination	5.35	.04	5.35	.04
Veterinary and medicine	10.19	.07	10.19	.07
Other expenses	39.29	.29	39.29	.29
Buildings and equipment	65.54	.48	65.54	.48
Repairs	13.84	.10	13.84	.10
Interest	51.70	.38	51.70	.38
Interest and depreciation on livestock investment	88.63	.65	88.63	.65
Interest on operating capital	11.89	.09	12.22	.10
Total direct costs	1,005.35	7.38	1,025.75	7.53
Management [3]	76.35	.56	76.35	.56
Overhead:				
Total	79.71	.58	79.71	.58
Dairy	(68.56)	(.50)	(68.56)	(.50)
Total excluding land	1,161.41	8.52	1,181.81	8.67
Land allocation, composite:				
Current land value total [4]	80.45	.59	80.45	.59
Homegrown feed acreage	66.61	.49	66.61	.49
Dairy farm lots	13.84	.10	13.84	.10
Average acquisition value total [5]	33.96	.25	33.96	.25
Homegrown feed acreage	29.10	.21	29.10	.21
Dairy farm lots	4.86	.04	4.86	.04

Footnotes at end of tables.

TABLE 14.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NC-9

Cost item	Feed at cost of production [1]		Feed at price received by farmer [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$181.53	$1.20	$181.53	$1.20
Hired	40.03	.26	40.03	.26
Unpaid family	141.50	.94	141.50	.94
Feed	455.17	3.00	591.65	3.90
Grains	174.49	1.15	238.97	1.57
Commercial	139.76	.92	139.76	.92
Forages	119.38	.79	191.38	1.27
Other	21.54	.14	21.54	.14
Other costs	126.97	.84	126.97	.84
Hauling	49.67	.33	49.67	.33
Marketing costs	10.71	.07	10.71	.07
Other fees	1.37	.01	1.37	.C1
Artificial insemination	10.30	.07	10.30	.07
Veterinary and medicine	18.87	.12	18.87	.12
Other expenses	36.05	.24	36.05	.24
Buildings and equipment	60.85	.41	60.85	.40
Repairs	16.29	.11	16.29	.11
Interest	44.56	.30	44.56	.29
Interest and depreciation on livestock investment	88.93	.59	88.93	.59
Interest on operating capital	12.74	.08	14.91	.10
Total direct costs	926.19	6.12	1,064.84	7.03
Management [3]	91.43	.60	91.43	.60
Overhead:				
Total	113.44	.74	113.44	.74
Dairy	(72.93)	(.48)	(72.93)	(.48)
Total excluding land	1,131.06	7.46	1,269.71	8.37
Land allocation, composite:				
Current land value total [4]	216.42	1.43	216.42	1.43
Homegrown feed acreage	195.98	1.29	195.98	1.29
Dairy farm lots	20.44	.14	20.44	.14
Average acquisition value total [5]	117.12	.77	117.12	.77
Homegrown feed acreage	109.01	.72	109.01	.72
Dairy farm lots	8.11	.05	8.11	.05

Footnotes at end of tables.

TABLE 15.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NC–10

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$229.35	$1.63	$229.35	$1.63
Hired	36.45	.26	36.45	.26
Unpaid family	192.90	1.37	192.90	1.37
Feed	459.86	3.26	629.17	4.46
Grains	169.88	1.20	256.99	1.82
Commercial	108.76	.77	108.76	.77
Forages	157.77	1.12	239.97	1.70
Other	23.45	.17	23.45	.17
Other costs	117.24	.83	117.24	.83
Hauling	45.63	.32	45.63	.32
Marketing costs	10.96	.08	10.96	.08
Other fees	2.67	.02	2.67	.02
Artificial insemination	8.44	.06	8.44	.06
Veterinary and medicine	17.57	.12	17.57	.12
Other expenses	31.97	.23	31.97	.23
Buildings and equipment	74.66	.53	74.66	.53
Repairs	19.97	.14	19.97	.14
Interest	54.69	.39	54.69	.39
Interest and depreciation on livestock investment	96.20	.68	96.20	.68
Interest on operating capital	12.19	.09	14.82	.11
Total direct costs	989.50	7.02	1,161.44	8.24
Management [3]	85.37	.61	85.37	.61
Overhead:				
Total	121.72	.86	121.72	.86
Dairy	(80.88)	(.57)	(80.88)	(.57)
Total excluding land	1,196.59	8.49	1,368.53	9.71
Land allocation, composite:				
Current land value total [4]	194.37	1.39	194.37	1.39
Homegrown feed acreage	183.57	1.31	183.57	1.31
Dairy farm lots	10.80	.08	10.80	.08
Average acquisition value total [5]	106.44	.76	106.44	.76
Homegrown feed acreage	102.08	.73	102.08	.73
Dairy farm lots	4.36	.03	4.36	.03

Footnotes at end of tables.

TABLE 16.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NC-11

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$185.25	$1.28	$185.25	$1.28
Hired	20.27	.14	20.27	.14
Unpaid family	164.98	1.14	164.98	1.14
Feed	559.05	3.86	723.56	4.99
Grains	156.31	1.08	230.28	1.59
Commercial	192.87	1.34	192.87	1.34
Forages	189.44	1.30	279.98	1.92
Other	20.43	.14	20.43	.14
Other costs	119.26	.83	119.26	.83
Hauling	39.54	.27	39.54	.27
Marketing costs	8.33	.06	8.33	.06
Other fees	.85	.01	.85	.01
Artificial insemination	13.30	.09	13.30	.09
Veterinary and medicine	23.83	.17	23.83	.17
Other expenses	33.41	.23	33.41	.23
Buildings and equipment	61.96	.43	61.96	.43
Repairs	15.79	.11	15.79	.11
Interest	46.17	.32	46.17	.32
Interest and depreciation on livestock investment	132.95	.92	132.95	.92
Interest on operating capital	13.49	.09	16.04	.11
Total direct costs	1,071.96	7.41	1,239.02	8.56
Management [3]	85.73	.59	85.73	.59
Overhead:				
Total	99.71	.69	99.71	.69
Dairy	(65.66)	(.45)	(65.66)	(.45)
Total excluding land	1,257.40	8.69	1,424.46	9.84
Land allocation, composite:				
Current land value total [4]	189.59	1.31	189.59	1.31
Homegrown feed acreage	183.69	1.27	183.69	1.27
Dairy farm lots	5.90	.04	5.90	.04
Average acquisition value total [5]	108.34	.75	108.34	.75
Homegrown feed acreage	105.85	.73	105.85	.73
Dairy farm lots	2.49	.02	2.49	.02

Footnotes at end of tables.

TABLE 17.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NC-8

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$216.70	$1.57	$216.70	$1.57
Hired	9.76	.07	9.76	.07
Unpaid family	206.94	1.50	206.94	1.50
Feed	396.96	2.88	541.50	3.92
Grains	108.39	.79	181.19	1.31
Commercial	139.61	1.01	139.61	1.01
Forages	126.84	.92	198.58	1.44
Other	22.12	.16	22.12	.16
Other costs	90.58	.66	90.58	.66
Hauling	24.51	.18	24.51	.18
Marketing costs	5.45	.04	5.45	.04
Other fees	2.79	.02	2.79	.02
Artificial insemination	7.13	.05	7.13	.05
Veterinary and medicine	13.61	.10	13.61	.10
Other expenses	37.09	.27	37.09	.27
Building and equipment	75.76	.55	75.76	.55
Repairs	13.87	.10	13.87	.10
Interest	61.89	.45	61.89	.45
Interest and depreciation on livestock investment	90.07	.65	90.07	.65
Interest on operating capital	10.65	.08	12.88	.09
Total, direct costs	880.72	6.39	1,027.49	7.44
Management [3]	74.18	.54	74.18	.54
Overhead:				
Total	116.40	.85	116.40	.85
Dairy	(76.79)	(.56)	(76.79)	(.56)
Total, excluding land	1,071.30	7.78	1,218.07	8.83
Land allocation, composite:				
Current land value total [4]	184.87	1.35	184.87	1.35
Homegrown feed acreage	174.17	1.27	174.17	1.27
Dairy farm losts	10.70	.08	10.70	.08
Average acquisition value total [5]	98.59	.72	98.59	.72
Homegrown feed acreage	94.70	.69	94.70	.69
Dairy farm lots	3.89	.03	3.89	.03

Footnotes at end of tables.

TABLE 18.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NC-15

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$181.91	$1.19	$181.91	$1.19
Hired	9.34	.06	9.34	.06
Unpaid family	172.57	1.13	172.57	1.13
Feed	381.60	2.51	553.83	3.63
Grains	144.73	.95	234.97	1.54
Commercial	92.79	.61	92.79	.61
Forages	117.30	.77	199.29	1.30
Other	26.78	.18	26.78	.18
Other costs	101.77	.67	101.77	.67
Hauling	30.17	.20	30.17	.20
Marketing costs	2.29	.02	2.29	.02
Other fees	1.54	.01	1.54	.01
Artificial insemination	9.14	.06	9.14	.06
Veterinary and medicine	15.25	.10	15.25	.10
Other expenses	43.38	.28	43.38	.28
Buildings and equipment	83.28	.55	83.28	.55
Repairs	22.38	.15	22.38	.15
Interest	60.90	.40	60.90	.40
Interest and depreciation on livestock investment	90.73	.60	90.73	.60
Interest on operating capital	10.55	.07	13.20	.09
Total, direct costs	849.84	5.59	1,024.72	6.73
Management [3]	83.22	.55	83.22	.55
Overhead:				
Total	119.32	.78	119.32	.78
Dry	(79.20)	(.52)	(79.20)	(.52)
Total, excluding land	1,052.38	6.92	1,227.26	8.06
Land allocation, composite:				
Current land value total [4]	189.45	1.25	189.45	1.25
Homegrown feed acreage	176.46	1.16	176.46	1.16
Dairy farm lots	12.99	.09	12.99	.09
Average acquisition value total [5]	95.27	.63	95.27	.63
Homegrown feed acreage	90.62	.60	90.62	.60
Dairy farm lots	4.65	.03	4.65	.03

Footnotes at end of tables.

TABLE 19.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NC-6

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$142.17	$0.98	$142.17	$0.98
Hired	7.03	.05	7.03	.05
Unpaid family	135.14	.93	135.14	.93
Feed	459.33	3.16	601.84	4.15
Grains	177.57	1.22	204.69	1.41
Commerical	118.96	.82	118.96	.82
Forages	138.94	.96	254.33	1.76
Other	23.86	.16	23.86	.16
Other costs	97.04	.68	97.04	.68
Hauling	25.65	.18	25.65	.18
Marketing costs	2.42	.02	2.42	.02
Other fees	2.15	.01	2.15	.01
Artificial insemination	8.39	.06	8.39	.06
Veterinary and medicine	13.92	.10	13.92	.10
Other expenses	44.51	.31	44.51	.31
Buildings and equipment	89.01	.62	89.01	.62
Repairs	19.70	.14	19.70	.14
Interest	69.31	.48	69.31	.48
Interest and depreciation on livestock investment	110.76	.76	110.76	.76
Interest on operating capital	11.10	.06	13.31	.09
Total, direct costs	909.41	6.26	1,054.13	7.28
Management [3]	78.21	.54	78.21	.54
Overhead:				
Total	138.15	.95	138.15	.95
Dairy	(94.71)	(.65)	(94.71)	(.65)
Total, excluding land	1,125.77	7.75	1,270.49	8.77
Land allocation, composite:				
Current land value total [4]	143.27	.99	143.27	.99
Homegrown feed acreage	132.65	.92	132.65	.92
Dairy farm lots	10.62	.07	10.62	.07
Average acquisition value total [5]	71.11	.50	71.11	.50
Homegrown feed acreage	67.16	.47	67.16	.47
Dairy farm lots	3.95	.03	3.95	.03

Footnotes at end of tables.

TABLE 20.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUB-REGION NC-7

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$241.80	$1.59	$241.80	$1.59
Hired	0	0	0	0
Unpaid family	241.80	1.59	241.80	1.59
Feed	475.85	3.13	54[illegible].7	3.58
Grains	258.67	1.70	312.41	2.05
Commercial	98.23	.65	98.23	.65
Forages	101.51	.67	116.67	.77
Other	17.44	.11	17.44	.11
Other costs	105.31	.70	105.31	.70
Hauling	44.43	.29	44.43	.29
Marketing costs	6.89	.05	6.89	.05
Other fees	.31	0	.31	0
Artificial insemination	10.16	.07	10.16	.07
Veterinary and medicine	16.13	.11	16.13	.11
Other expenses	27.39	.18	27.39	.18
Buildings and equipment	51.92	.34	51.92	.34
Repairs	23.92	.16	23.92	.16
Interest	28.00	.18	28.00	.18
Interest and depreciation on livestock investment	93.39	.61	93.39	.61
Interest on operating capital	13.19	.09	14.23	.09
Total, direct costs	981.46	6.46	1,051.40	6.91
Management [3]	79.30	.52	79.30	.52
Overhead:				
Total	90.26	.60	90.26	.60
Dairy	(55.81)	(.37)	(55.81)	(.37)
Total, excluding land	1,151.02	7.58	1,220.96	8.03
Land allocation, composite:				
Current land value total [4]	300.11	1.98	300.11	1.98
Homegrown feed acreage	268.76	1.77	268.76	1.77
Dairy farm lots	31.35	.21	31.35	.21
Average acquisition value total [5]	151.02	.99	151.02	.99
Homegrown feed acreage	139.28	.91	139.28	.91
Dairy farm lots	11.74	.08	11.74	.08

Footnotes at end of table.

TABLE 21.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NC-2

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$198.81	$1.28	$198.81	$1.28
Hired	5.21	.03	5.21	.03
Unpaid family	193.60	1.25	193.60	1.25
Feed	395.76	2.55	532.69	3.43
Grains	181.77	1.18	218.17	1.41
Commercial	74.25	.48	74.25	.48
Forages	120.45	.77	220.98	1.42
Other	19.29	.12	19.29	.12
Other costs	101.88	.66	101.88	.66
Hauling	33.04	.21	33.04	.21
Marketing costs	2.46	.02	2.46	.02
Other fees	1.58	.01	1.58	.01
Artificial insemination	10.18	.07	10.18	.07
Veterinary and medicine	19.22	.12	19.22	.12
Other expenses	35.40	.23	35.40	.23
Buildings and equipment	66.16	.43	66.16	.43
Repairs	24.14	.16	24.14	.16
Interest	42.02	.27	42.02	.27
Interest and depreciation on livestock investment	83.15	.54	83.15	.54
Interest on operating capital	11.17	.08	13.88	.09
Total, direct costs	857.53	5.54	996.57	6.43
Management [3]	79.22	.51	79.22	.51
Overhead:				
Total	143.62	.92	143.62	.92
Dairy	(88.81)	(.57)	(88.81)	(.57)
Total, excluding land	1,080.37	6.97	1,219.41	7.89
Land allocation, composite:				
Current land value total [4]	233.39	1.50	233.39	1.50
Home grown feed acreage	228.19	1.47	228.19	1.47
Dairy farm lots	5.20	.03	5.20	.03
Average acquisition value total [5]	128.43	.83	128.43	.83
Home grown feed acreage	125.90	.81	125.90	.81
Dairy farm lots	2.53	.02	2.53	.02

TABLE 22.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION NC-5 AND GP-7

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$147.70	$1.00	$147.70	$1.00
Hired	11.45	.08	11.45	.08
Unpaid family	136.25	.92	136.25	.92
Feed	511.90	3.43	572.55	3.84
Grains	247.76	1.66	256.42	1.72
Commercial	69.15	.46	69.15	.46
Forages	172.91	1.16	224.90	1.51
Other	22.08	.15	22.08	.15
Other costs	89.68	.59	89.68	.59
Hauling	34.70	.23	34.70	.23
Marketing costs	3.49	.02	3.49	.02
Other fees	.40	0	.40	0
Artificial insemination	5.05	.03	5.05	.03
Veterinary and medicine	16.61	.11	16.61	.11
Other expenses	29.43	.20	29.43	.20
Buildings and equipment	50.42	.34	50.42	.34
Repairs	21.88	.15	21.88	.15
Interest	28.54	.19	28.54	.19
Interest and depreciation on livestock investment	82.44	.55	82.44	.55
Interest on operation capital	12.42	.08	13.34	.09
Total, direct costs	894.56	5.99	956.13	6.41
Management [3]	76.90	.52	76.90	.52
Overhead:				
Total	119.91	.81	119.91	.81
Dairy	(78.75)	(.53)	(78.75)	(.53)
Total, excluding land	1,091.37	7.32	1,152.94	7.74
Land allocation, complete:				
Current land value total [4]	189.08	1.27	189.08	1.27
Homegrown feed acreage	184.62	1.24	184.62	1.24
Dairy farm lots	4.46	.03	4.46	.03
Average acquisition value total [5]	108.39	.73	108.39	.73
Homegrown feed acreage	106.68	.72	106.68	.72
Dairy farm lots	1.71	.01	1.71	.01

Footnotes at end of tables.

TABLE 23.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION W-8

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$138.80	$0.89	$138.80	$0.89
Hired	31.77	.20	31.77	.20
Unpaid family	107.03	.69	107.03	.69
Feed	664.45	4.26	708.72	4.54
Grains	1.97	0	2.66	0
Commercial	357.22	2.30	357.22	2.30
Forages	295.66	1.90	339.24	2.18
Other	9.60	.06	9.60	.06
Other costs	126.50	.82	126.50	.82
Hauling	40.41	.26	40.41	.26
Marketing costs	15.38	.10	15.38	.10
Other fees	4.50	.03	4.50	.03
Artificial insemination	8.30	.05	8.30	.05
Veterinary and medicine	13.49	.09	13.49	.09
Other expenses	44.42	.29	44.42	.29
Buildings and equipment	60.50	.39	60.50	.39
Repairs	11.63	.07	11.63	.07
Interest	48.87	.32	48.87	.32
Interest and depreciation on livestock investment	99.69	.64	99.69	.64
Interest on operating capital	14.70	.09	15.40	.10
Total, direct costs	1,104.64	7.09	1,149.61	7.38
Management [3]	86.49	.56	86.49	.56
Overhead:				
Total	94.65	.61	94.65	.61
Dairy	(77.57)	(.50)	(77.57)	(.50)
Total, excluding land	1,285.78	8.26	1,330.75	8.55
Land allocation, composite:				
Current land value total [4]	191.29	1.23	191.29	1.23
Homegrown feed acreage	138.80	.89	138.80	.89
Dairy farm lots	52.49	.34	52.49	.34
Average acquisition value total [5]	108.78	.69	108.78	.69
Homegrown feed acreage	83.14	.53	83.14	.53
Dairy farm lots	25.64	.16	25.64	.16

Footnotes at end of tables.

TABLE 24.—MILK PRODUCTION COSTS PER COW AND PER HUNDREDWEIGHT, BY COST ITEM, 1974, SUBREGION W-9

Cost item	Feed at cost of production [1]		Feed at price received by farmers [1]	
	Cost per cow milked	Cost per hundredweight of milk [2]	Cost per cow milked	Cost per hundredweight of milk [2]
Labor	$128.89	$0.76	$128.89	$0.76
Hired	89.91	.53	89.91	.53
Unpaid family	38.98	.23	38.98	.23
Feed	899.66	5.29	975.87	5.74
Grains	10.23	.06	10.23	.06
Commercial	465.39	2.73	465.39	2.73
Forages	417.45	2.46	493.66	2.91
Other	6.59	.04	6.59	.04
Other costs	114.34	.67	114.34	.67
Hauling	31.49	.18	31.49	.18
Marketing	17.28	.10	17.28	.10
Other fees	4.57	.03	4.57	.03
Artificial insemination	8.81	.05	8.81	.05
Veterinary and medicine	12.79	.08	12.79	.08
Other expenses	39.40	.23	39.40	.23
Buildings and equipment	29.16	.17	29.16	.17
Repairs	8.14	.05	8.14	.05
Interest	21.02	.12	21.02	.12
Interest and depreciation on livestock investment	111.61	.66	111.61	.66
Interest on operating capital	16.95	.10	18.17	.11
Total direct costs	1,300.61	7.65	1,378.04	8.11
Management [3]	89.25	.52	89.25	.52
Overhead:				
Total	85.97	.51	85.97	.51
Dairy	(76.33)	(.45	(76.33)	(.45)
Total excluding land	1,475.83	8.68	1,553.26	9.14
Land allocation, composite:				
Current land value total [4]	58.21	.34	58.21	.34
Homegrown feed acreage	50.64	.30	50.64	.30
Dairy farm lots	7.57	.04	7.57	.04
Average acquisition value total [5]	40.78	.24	40.78	.24
Homegrown feed acreage	35.51	.21	35.51	.21
Dairy farm lots	5.27	.03	5.27	.03

[1] Feed at cost of production includes homegrown feeds valued at cost of production as computed for each farm. All purchased feeds were included at cost. Where the feed was produced on the farm but detailed costs were not obtained, the average cost of production for the subregion was used. The overhead and land allocation charges were not included in "feed". They are included in the "overhead" and "land allocation" items. Feed at price received by farmers included homegrown feed at the reported State average prices received by farmers in 1974 as reported by the Statistical Reporting Service. (Agricultural Prices, Annual Summary 1974, PR 1-3 (75), June 1975.)

[2] Hundredweight of milk represents all milk sold, consumed on the farm, and the milk equivalent of all dairy cattle and calves sold. Milk equivalent is estimated by dividing total dollar sales by the milk price per cwt received by the farmer.

[3] The management charge is computed as 7 percent of the gross value of dairy product sales. No management charge was made for homegrown feed.

[4] The land allocation is a weighted composite computed with owned land at the farmer's estimate of the current value for agricultural purposes times the Federal Land Bank interest rate and rented land at the actual net share rent and/or cash rent paid. Homegrown feed acreage represents the cost of land utilized in feed crop production, including pasture. Dairy lots represent the cost of land in the farmstead used for housing and for exercising.

[5] The details in footnote 4 above apply, with the exception that owned land was valued at the average acquisition value.

Appendix C

DISTRIBUTION OF MILK BY COST LEVEL

TABLE 1.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NE–1

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	10.6	5.9	2.4	1.6	1.6
$6	25.9	16.5	7.2	5.1	5.9
$7	61.2	35.5	25.3	12.9	22.3
$8	85.0	61.5	45.7	33.3	39.0
$9	97.1	90.3	77.8	51.9	65.2
$10	98.3	96.7	94.2	76.0	90.4
$11	100.0	98.3	98.3	94.1	95.7
$12	100.0	99.5	98.8	97.3	97.3
$13	100.0	100.0	100.0	97.8	98.5
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	2.4	1.6	1.6	1.6	1.6
$6	6.4	4.3	2.4	2.4	2.4
$7	17.3	11.8	6.4	6.4	6.4
$8	40.6	25.2	18.4	18.4	18.4
$9	62.9	47.6	35.8	34.3	35.8
$10	80.7	73.7	59.1	58.7	58.7
$11	95.0	89.0	78.1	78.1	78.1
$12	97.8	97.0	94.6	92.9	94.6
$13	99.1	97.8	97.0	97.0	97.0
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 2.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NE–2

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	9.6	5.2	3.5	3.5	3.5
$6	25.4	13.8	5.2	3.5	3.5
$7	41.6	31.7	17.1	15.9	15.9
$8	65.4	49.1	33.9	30.0	31.7
$9	81.7	71.2	56.6	41.8	48.3
$10	88.5	82.0	77.9	67.3	72.4
$11	98.3	90.3	82.7	80.0	82.7
$12	99.2	96.1	91.9	88.0	90.0
$13	99.2	97.7	96.1	92.9	95.9
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	3.5	3.5	3.5	3.5	3.5
$6	15.3	3.5	3.5	3.5	3.5
$7	18.5	15.3	12.3	12.3	12.3
$8	39.1	22.5	17.1	17.1	17.1
$9	57.9	45.4	31.2	30.3	30.3
$10	73.4	65.7	53.1	53.1	53.1
$11	89.1	79.9	71.9	71.9	71.9
$12	94.8	88.2	83.5	82.9	83.5
$13	98.1	94.7	91.5	91.5	91.5
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 3.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NE-3

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	17.1	5.8	1.9	1.9	1.9
$6	34.8	19.5	9.1	8.1	8.1
$7	58.3	36.2	30.2	17.1	23.3
$8	77.3	63.6	45.0	33.9	40.4
$9	89.7	79.7	69.5	59.5	64.1
$10	95.8	87.3	83.0	76.9	81.5
$11	99.4	93.0	89.9	86.4	86.9
$12	99.7	98.7	95.1	90.8	93.4
$13	100.0	99.7	99.7	96.9	98.3
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	4.9	1.9	0	0	0
$6	11.4	4.9	4.9	4.9	4.9
$7	21.9	14.2	8.8	8.8	8.8
$8	34.8	26.6	17.1	17.1	17.1
$9	65.5	42.6	31.8	31.8	31.8
$10	83.3	70.8	60.9	60.5	60.9
$11	87.7	84.4	79.5	79.5	79.5
$12	95.9	88.2	86.3	86.3	86.3
$13	98.9	94.9	90.5	90.5	90.5
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 4.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NE-4

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	12.0	9.3	7.9	1.5	3.4
$6	29.1	18.0	10.2	7.9	9.3
$7	59.5	43.8	22.9	12.0	15.0
$8	83.2	76.2	52.3	29.6	45.0
$9	89.6	87.1	79.3	53.9	69.4
$10	96.3	89.6	88.2	78.8	85.4
$11	99.0	96.3	93.0	85.3	89.6
$12	99.0	98.0	96.3	89.6	96.3
$13	99.7	99.0	98.0	96.9	98.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	1.9	0	0	0	0
$6	10.6	8.8	3.4	3.4	3.4
$7	15.6	12.0	8.8	8.8	8.8
$8	36.0	27.4	15.6	15.6	15.6
$9	50.5	41.3	31.4	30.2	30.2
$10	77.5	62.0	51.3	48.7	48.7
$11	89.1	87.0	73.0	66.9	72.2
$12	94.8	93.3	88.4	87.7	87.7
$13	98.0	96.9	93.3	93.3	93.3
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 5.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NE-5

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	4.3	0	0	0	0
$6	13.8	5.4	2.5	0	0
$7	55.0	29.9	9.1	4.3	4.3
$8	67.9	53.5	47.6	22.3	28.5
$9	82.3	75.0	61.3	46.0	53.5
$10	97.7	83.6	77.0	61.7	70.1
$11	98.5	96.4	95.2	81.0	86.9
$12	98.5	98.5	98.1	93.3	96.1
$13	100.0	98.5	98.5	96.5	98.1
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	0	0	0	0	0
$7	2.2	0	0	0	0
$8	16.5	6.1	2.2	2.2	2.2
$9	42.8	29.3	15.0	12.0	15.0
$10	51.6	46.3	39.8	38.6	39.8
$11	66.8	63.1	47.5	47.5	47.5
$12	83.5	72.9	65.2	64.6	65.2
$13	98.1	93.5	84.8	84.8	84.8
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 6.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NE-6

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	10.3	5.6	2.4	0	1.3
$6	28.9	16.1	9.8	4.3	5.6
$7	57.2	39.4	24.3	10.9	13.7
$8	82.4	56.4	49.4	31.4	39.7
$9	91.8	81.1	63.0	44.1	55.2
$10	97.0	93.4	86.8	69.3	79.7
$11	99.0	97.0	94.5	80.6	90.1
$12	99.6	98.0	97.4	92.2	95.4
$13	100.0	99.6	99.0	94.4	97.1
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	1.9	1.9	0	0	0
$7	12.8	4.9	2.9	2.9	2.9
$8	26.1	18.2	14.2	14.2	14.2
$9	47.7	36.5	26.1	25.7	25.7
$10	69.5	55.1	43.0	41.6	43.0
$11	80.7	73.3	66.9	66.9	66.9
$12	88.6	85.4	75.5	75.5	75.5
$13	93.1	93.1	89.2	89.2	89.2
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 7.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION A–1

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	3.8	3.8	3.8	0	3.8
$6	22.3	6.7	3.8	3.8	3.8
$7	51.0	30.2	16.7	6.7	7.6
$8	64.8	55.7	34.6	25.9	30.2
$9	74.4	70.3	60.0	47.5	55.9
$10	85.1	78.7	70.9	62.7	66.3
$11	88.8	83.2	80.7	69.6	78.2
$12	90.8	90.5	83.2	76.6	81.3
$13	99.5	97.1	96.8	83.4	92.3
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	2.1	0	0	0	0
$6	7.8	3.8	2.1	2.1	2.1
$7	20.2	11.6	3.8	3.8	3.8
$8	31.1	26.3	20.2	19.3	20.2
$9	60.9	44.0	28.3	28.3	28.3
$10	67.4	64.9	52.9	52.9	52.9
$11	75.8	73.1	66.2	64.9	64.9
$12	84.1	80.3	74.6	71.7	73.7
$13	92.9	92.0	89.4	87.3	87.3
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 8.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGIONS A–2 AND NC–12

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	6.3	0	0	0	0
$6	22.8	16.4	9.6	0	0
$7	37.3	27.4	17.7	3.6	6.1
$8	70.8	46.2	33.3	9.0	21.0
$9	91.9	75.0	60.7	25.2	44.1
$10	97.5	93.4	85.5	58.1	68.4
$11	98.5	97.5	95.1	72.7	87.1
$12	99.4	98.5	98.5	86.2	95.1
$13	99.4	99.4	98.5	92.4	98.5
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	1.6	0	0	0	0
$7	7.0	5.4	0	0	0
$8	19.0	16.9	7.0	5.4	5.4
$9	49.5	33.2	17.7	13.9	16.9
$10	74.8	66.7	45.3	35.4	41.5
$11	86.6	84.5	69.9	61.4	67.5
$12	94.2	94.2	86.6	76.3	83.8
$13	96.7	95.1	94.2	86.2	93.5
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 9.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION SE-1

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	0	0	0	0	0
$6	8.2	0	0	0	0
$7	23.8	13.9	6.6	2.4	6.6
$8	59.6	39.5	22.3	16.1	16.1
$9	90.3	87.2	57.9	40.5	47.2
$10	99.1	93.5	92.0	80.4	85.6
$11	100.0	99.1	99.1	91.9	97.7
$12	100.0	100.0	100.0	96.7	99.1
$13	100.0	100.0	100.0	100 0	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	4.0	2.4	0	0	0
$7	6.1	2.4	2.4	2.4	2.4
$8	44.9	22.3	16.1	8.8	16.1
$9	81.4	68.6	38.7	31.1	38.7
$10	99.1	95.0	75.8	71.0	73.5
$11	99.1	99.1	95.0	90.8	95.0
$12	100.0	99.1	99.1	99.1	99.1
$13	100.0	100.0	100.0	99.1	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 10.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION SE-10

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	2.2	2.2	0	0	0
$6	2.2	2.2	2.2	2.2	2.2
$7	6.1	3.3	2.2	2.2	2.2
$8	27.5	7.7	6.1	6.1	6.1
$9	44.8	32.7	22.0	22.0	22.0
$10	65.6	57.2	46.3	46.3	46.3
$11	89.7	76.3	62.7	60.6	62.7
$12	92.8	89.7	89.7	88.3	89.7
$13	97.0	92.8	92.5	92.5	92.5
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	2.2	2.2	0	0	0
$6	2.2	2.2	2.2	2.2	2.2
$7	6.1	3.3	2.2	2.2	2.2
$8	23.3	7.7	3.9	3.9	3.9
$9	42.8	32.7	22.0	22.0	22.0
$10	66.6	55.3	45.5	45.5	45.5
$11	89.7	74.7	63.6	61.5	63.6
$12	92.8	89.7	89.7	89.7	89.7
$13	96.6	92.8	92.5	92.5	92.5
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 11.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION SC–3

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	11.5	11.5	0	0	0
$6	11.5	11.5	11.5	11.5	11.5
$7	30.2	11.5	11.5	11.5	11.5
$8	48.4	40.3	21.1	21.1	21.1
$9	61.3	56.9	44.4	44.4	44.4
$10	68.4	66.0	58.7	54.6	58.7
$11	71.1	68.4	67.2	66.0	66.0
$12	86.3	79.7	71.1	67.2	68.4
$13	89.6	86.3	86.3	79.7	79.7
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	11.5	11.5	11.5	11.5	11.5
$7	21.1	11.5	11.5	11.5	11.5
$8	41.0	31.2	21.1	21.1	21.1
$9	54.6	49.0	35.6	31.2	35.6
$10	66.0	61.8	55.0	55.0	55.0
$11	71.1	67.2	66.0	66.0	66.0
$12	79.7	73.0	68.4	67.2	68.4
$13	94.9	79.7	79.7	79.7	79.7
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 12.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION SC–8

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	0	0	0	0	0
$6	1.3	0	0	0	0
$7	12.3	4.4	0	0	0
$8	40.0	22.7	15.1	0	4.4
$9	60.4	40.7	35.1	15.1	24.4
$10	91.2	70.2	59.1	27.3	41.6
$11	96.2	93.0	71.9	53.9	66.2
$12	99.2	96.2	96.2	70.2	90.3
$13	99.2	99.2	99.2	93.0	96.2
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	0	0	0	0	0
$7	8.3	0	0	0	0
$8	20.0	15.1	10.1	7.0	7.0
$9	28.5	20.9	19.1	15.1	15.1
$10	65.8	63.9	29.3	19.1	25.6
$11	82.7	80.0	63.9	46.3	63.9
$12	93.5	90.3	82.7	77.1	80.0
$13	96.5	96.5	93.5	88.5	93.5
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 13.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NC-14

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	3.8	0	0	0	0
$6	24.7	10.2	4.1	.6	2.1
$7	50.0	39.7	23.1	12.9	20.3
$8	68.7	62.2	47.9	36.0	42.4
$9	88.8	72.0	66.5	55.6	64.7
$10	90.8	87.2	77.8	71.1	73.6
$11	94.0	91.7	88.5	82.0	86.4
$12	99.3	95.0	91.7	89.0	90.4
$13	99.3	99.1	98.0	95.0	98.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	.6	0	0	0	0
$6	11.3	8.0	.6	.6	.6
$7	35.4	27.6	12.0	10.0	10.0
$8	55.1	45.3	32.7	32.7	32.7
$9	70.4	63.9	53.5	52.2	52.8
$10	86.3	79.7	72.2	71.3	72.2
$11	90.0	84.6	82.7	78.9	82.0
$12	95.6	91.4	87.7	85.6	87.7
$13	98.1	96.2	95.9	94.6	94.6
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 14.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NC-9

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	33.5	11.5	1.3	0	0
$6	55.2	43.9	18.5	1.3	9.1
$7	70.2	58.6	53.7	15.8	38.4
$8	86.6	71.9	64.0	43.2	56.0
$9	91.3	88.5	79.6	61.3	64.9
$10	100.0	91.3	90.0	70.3	79.3
$11	100.0	97.5	92.7	77.7	89.9
$12	100.0	100.0	97.5	91.6	94.4
$13	100.0	100.0	100.0	93.9	97.5
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	5.3	1.3	1.3	1.3	1.3
$7	29.8	13.2	4.5	4.5	4.5
$8	44.9	39.4	27.3	23.4	27.3
$9	68.0	56.0	44.9	44.9	44.9
$10	75.0	72.0	64.4	61.9	64.4
$11	83.3	80.3	75.3	75.3	75.3
$12	90.7	88.8	88.6	80.2	82.3
$13	93.9	93.4	90.2	88.8	90.2
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 15.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NC–10

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	8.7	3.4	2.6	2.6	2.6
$6	32.4	10.6	5.6	2.6	3.4
$7	54.8	38.7	20.1	5.6	7.3
$8	79.0	59.4	54.8	13.5	29.9
$9	86.7	75.4	67.1	42.3	56.0
$10	93.4	86.7	77.1	55.6	66.8
$11	94.5	92.8	90.2	69.2	82.6
$12	98.8	93.4	92.8	82.6	89.4
$13	100.0	97.7	95.1	92.3	92.8
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	0	0	0	0	0
$7	3.9	2.6	0	0	0
$8	12.9	6.8	3.9	3.9	3.9
$9	37.1	23.4	11.1	10.3	11.1
$10	63.4	49.4	26.9	26.9	26.9
$11	77.9	73.9	54.8	54.2	54.8
$12	87.0	83.1	75.5	74.9	74.9
$13	90.5	87.1	85.9	84.1	85.9
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 16.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NC–11

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	9.1	0	0	0	0
$6	35.6	17.7	4.6	0	0
$7	52.4	44.8	35.6	0	9.1
$8	64.5	54.2	53.2	34.4	35.6
$9	70.9	69.3	55.8	49.8	53.2
$10	77.7	77.7	72.7	55.8	59.6
$11	100.0	77.7	77.7	65.5	72.7
$12	100.0	99.3	91.2	74.3	77.7
$13	100.0	100.0	99.3	89.9	91.2
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	0	0	0	0	0
$7	15.9	5.5	0	0	0
$8	23.3	15.9	11.4	11.4	11.4
$9	41.2	28.8	23.3	23.3	23.3
$10	56.1	53.9	41.2	37.5	41.2
$11	65.8	56.1	55.1	55.1	55.1
$12	81.4	81.4	64.6	64.6	64.6
$13	89.6	88.3	84.8	81.4	81.4
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 17.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NC–8

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	13.7	5.0	1.5	0	0
$6	48.9	18.3	9.0	2.6	4.3
$7	70.6	53.9	35.5	6.5	13.1
$8	86.8	74.4	62.5	24.1	51.1
$9	96.2	87.9	83.7	58.9	69.5
$10	98.0	92.8	89.7	75.9	83.5
$11	98.8	97.2	96.8	84.1	89.6
$12	100.0	98.8	98.0	89.6	96.2
$13	100.0	100.0	98.8	96.6	98.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	.7	0	0	0	0
$7	6.7	4.5	3.5	2.8	3.5
$8	24.1	13.4	6.0	6.0	6.0
$9	59.0	46.6	24.3	23.0	23.0
$10	75.8	65.1	54.4	54.0	54.4
$11	88.2	79.2	74.5	74.0	74.5
$12	95.2	90.1	84.6	82.7	82.7
$13	96.1	95.2	94.8	94.8	94.8
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 18.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NC–15

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	32.6	14.0	3.8	0	0
$6	65.9	43.6	27.2	2.3	10.7
$7	88.2	71.1	57.2	24.0	39.7
$8	98.4	90.1	78.5	52.7	65.1
$9	100.0	98.4	97.9	69.0	85.1
$10	100.0	100.0	98.4	88.6	97.9
$11	100.0	100.0	100.0	95.0	100.0
$12	100.0	100.0	100 0	98.4	100.0
$13	100.0	100.0	100.0	100.0	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	2.3	0	0	0	0
$6	2.9	2.3	2.3	2.3	2.3
$7	21.6	11.1	2.9	2.9	2.9
$8	54.0	34.4	17.2	14.5	15.4
$9	71.7	62.8	52.7	50.9	52.7
$10	88.5	78.7	70.4	69.2	70.4
$11	97.0	95.4	88.0	88.0	88.0
$12	99.5	98.2	97.0	95.8	97.0
$13	100.0	99.5	99.5	99.5	99.5
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 19.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NC–6

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	24.3	6.7	3.5	2.1	2.1
$6	52.4	26.0	11.9	3.5	6.7
$7	73.2	49.1	34.7	11.3	26.1
$8	83.7	73.5	61.3	34.9	47.2
$9	93.0	83.7	80.3	63.7	72.0
$10	97.1	92.8	91.6	78.6	82.9
$11	98.4	95.4	93.5	90.8	92.8
$12	100.0	97.9	96.2	92.8	95.4
$13	100.0	100.0	99.5	95.4	97.9
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	2.1	2.1	0	0	0
$6	9.9	3.6	2.1	2.1	2.1
$7	21.8	10.5	8.4	8.4	8.4
$8	40.7	27.9	16.4	15.3	15.3
$9	65.6	56.5	39.5	36.3	38.1
$10	86.0	73.2	61.0	60.2	61.0
$11	90.4	88.9	77.9	77.9	77.9
$12	93.5	90.4	90.4	89.6	89.6
$13	94.5	93.5	93.5	93.5	93.5
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 20.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NC–7

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	14.5	0	0	0	0
$6	54.1	14.5	14.5	0	0
$7	64.8	54.1	54.1	7.4	7.4
$8	88.5	70.9	64.8	38.1	48.9
$9	88.5	88.5	88.5	48.9	54.1
$10	100.0	88.5	88.5	54.1	88.5
$11	100.0	100.0	100.0	77.9	88.5
$12	100.0	100.0	100.0	88.5	100.0
$13	100.0	100.0	100.0	100.0	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	0	0	0	0	0
$7	7.4	7.4	0	0	0
$8	31.0	7.4	7.4	7.4	7.4
$9	54.1	48.9	48.9	38.1	38.1
$10	88.5	70.7	54.1	48.9	54.1
$11	88.5	88.5	77.7	77.7	77.7
$12	100.0	88.5	88.5	88.5	88.5
$13	100.0	100.0	100.0	100.0	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 21.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION NC–2

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	33.5	11.4	0	0	0
$6	74.0	39.4	28.2	0	5.1
$7	91.5	72.9	64.5	15.1	29.9
$8	97.9	87.5	83.2	41.7	64.3
$9	99.5	97.0	90.6	66.5	82.0
$10	100.0	97.9	97.9	83.0	90.6
$11	100.0	99.5	97.9	93.6	97.9
$12	100.0	99.5	99.5	97.9	99.5
$13	100.0	100.0	100.0	99.5	99.5
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	6.7	0	0	0	0
$7	23.9	13.5	6.7	6.7	6.7
$8	46.6	32.1	22.6	21.1	21.1
$9	72.1	58.5	50.3	47.8	47.8
$10	82.1	75.9	69.2	69.2	69.2
$11	93.3	86.6	83.8	83.8	83.8
$12	99.5	93.3	90.2	90.2	90.2
$13	99.5	99.5	97.9	97.9	97.9
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 22.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGIONS NC–5 AND GP–7

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	28.4	11.5	6.3	6.3	6.3
$6	58.5	43.8	23.8	6.3	6.3
$7	70.4	61.0	53.7	22.7	30.5
$8	83.7	74.4	68.7	44.9	57.0
$9	92.4	86.4	76.6	59.7	71.5
$10	100.0	90.2	87.2	80.1	84.6
$11	100.0	100.0	96.9	86.4	87.2
$12	100.0	100.0	100.0	91.5	96.8
$13	100.0	100.0	100.0	95.4	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	6.3	6.3	6.3	0	6.3
$6	19.1	10.9	6.3	6.3	6.3
$7	25.2	22.7	19.1	19.1	19.1
$8	48.0	38.8	25.2	23.5	25.2
$9	74.3	62.1	52.1	52.1	52.1
$10	84.7	79.6	72.0	72.0	72.0
$11	93.4	91.5	82.3	82.3	82.3
$12	95.8	93.4	93.4	93.4	93.4
$13	100.0	98.1	95.6	95.6	95.6
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 23.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION W-8

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	7.0	3.1	1.4	0	0
$6	20.7	14.8	6.2	.7	1.4
$7	49.3	31.0	18.9	6.9	11.9
$8	77.6	65.0	41.0	19.8	27.0
$9	91.2	87.3	72.8	43.3	55.6
$10	95.5	91.2	89.1	68.7	77.0
$11	97.5	95.2	92.0	82.5	89.6
$12	98.7	96.9	96.9	90.7	93.1
$13	99.8	99.4	98.0	93.4	96.5
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0.7	0	0	0	0
$6	7.6	2.4	.7	.7	.7
$7	18.7	14.4	6.6	2.7	6.6
$8	44.8	35.4	19.1	16.7	17.8
$9	71.2	57.9	44.1	39.0	42.9
$10	85.0	74.1	68.2	63.2	66.7
$11	90.7	89.3	84.3	77.5	79.2
$12	95.8	93.6	91.3	87.7	89.3
$13	97.7	96.9	95.3	92.3	94.5
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 24.—DISTRIBUTION OF MILK PRODUCTION BY COST LEVELS, 1974, SUBREGION W-9

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	4.4	3.1	1.0	0	0
$6	10.8	5.5	3.7	3.1	3.1
$7	30.4	21.9	11.1	8.9	8.9
$8	60.1	47.2	31.2	21.3	23.5
$9	83.7	72.4	55.7	47.4	50.2
$10	96.4	92.8	80.1	74.7	76.3
$11	100.0	98.3	96.4	94.5	94.5
$12	100.0	100.0	99.6	98.3	98.3
$13	100.0	100.0	100.0	98.6	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	3.4	2.2	0	0	0
$6	5.9	4.7	3.4	3.4	3.4
$7	15.2	8.3	5.9	5.4	5.4
$8	44.3	28.6	14.6	14.6	14.6
$9	71.8	62.7	41.6	39.8	39.8
$10	86.0	80.2	67.4	67.0	67.0
$11	94.3	89.4	84.4	84.4	84.4
$12	96.6	96.6	95.6	95.3	95.3
$13	96.6	96.6	96.6	96.6	96.6
$13 or more	100.0	100.0	100.0	100.0	100.0

Appendix D

DISTRIBUTION OF DAIRY FARMERS BY COST LEVEL

TABLE 1.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NE–1

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	8.1	5.1	2.0	1.0	1.0
$6	23.2	11.1	6.1	4.0	5.1
$7	57.6	29.3	19.2	10.1	14.1
$8	79.8	60.6	42.4	29.3	34.3
$9	94.9	85.9	70.7	50.5	63.6
$10	97.0	94.9	90.9	75.8	84.8
$11	100.0	97.0	97.0	91.9	93.9
$12	100.0	99.0	98.0	96.0	96.0
$13	100.0	100.0	100.0	97.0	98.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	2.0	1.0	1.0	1.0	1.0
$6	6.1	4.0	2.0	2.0	2.0
$7	15.2	9.1	6.1	6.1	6.1
$8	36.4	22.2	14.1	14.1	14.1
$9	61.6	43.4	32.3	31.3	32.3
$10	76.8	67.7	56.6	55.6	55.6
$11	93.9	83.8	73.7	73.7	73.7
$12	97.0	96.0	92.9	90.9	92.9
$13	99.0	97.0	96.0	96.0	96.0
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 2.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NE–2

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	3.1	2.0	1.0	1.0	1.0
$6	12.2	5.1	2.0	1.0	1.0
$7	27.6	17.3	7.1	6.1	6.1
$8	53.1	33.7	20.4	15.3	17.3
$9	74.5	59.2	43.9	27.6	34.7
$10	80.6	74.5	67.3	53.1	60.2
$11	96.9	83.7	75.5	70.4	75.5
$12	99.0	93.9	86.7	80.6	83.7
$13	99.0	96.9	93.9	87.8	92.9
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	1.0	1.0	1.0	1.0	1.0
$6	6.1	1.0	1.0	1.0	1.0
$7	9.2	6.1	4.1	4.1	4.1
$8	24.5	12.2	7.1	7.1	7.1
$9	45.9	31.6	18.4	17.3	17.3
$10	64.3	54.1	38.8	38.8	38.8
$11	81.6	69.4	61.2	61.2	61.2
$12	89.8	80.6	74.5	73.5	74.5
$13	96.9	91.8	84.7	84.7	84.7
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 3.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NE-3

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	13.0	3.7	0.9	0.9	0.9
$6	26.9	15.7	6.5	5.6	5.6
$7	49.1	27.8	23.1	14.8	18.5
$8	69.4	53.7	35.2	25.9	28.7
$9	83.3	72.2	61.1	50.0	54.6
$10	91.7	82.4	76.9	68.5	74.1
$11	98.1	89.8	84.3	80.6	81.5
$12	99.1	97.2	92.6	86.1	90.7
$13	100.0	99.1	99.1	94.4	96.3
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	2.8	0.9	0	0	0
$6	8.3	2.8	2.8	2.8	2.8
$7	18.5	11.1	6.5	6.5	6.5
$8	28.7	22.2	13.9	13.9	13.9
$9	59.3	36.1	25.0	25.0	25.0
$10	77.8	63.9	53.7	52.8	53.7
$11	83.3	78.7	74.1	74.1	74.1
$12	92.6	84.3	80.6	80.6	80.6
$13	97.2	92.6	86.1	86.1	86.1
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 4.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NE-4

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	9.8	6.6	4.9	1.6	3.3
$6	29.5	16.4	8.2	4.9	6.6
$7	55.7	41.0	21.3	9.8	13.1
$8	75.4	65.6	47.5	26.2	39.3
$9	82.0	77.0	68.9	49.2	62.3
$10	91.8	82.0	78.7	68.9	73.8
$11	96.7	91.8	86.9	73.8	82.0
$12	96.7	95.1	91.8	82.0	91.8
$13	98.4	96.7	95.1	93.4	95.1
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	1.6	0	0	0	0
$6	8.2	6.6	3.3	3.3	3.3
$7	11.5	9.8	6.6	6.6	6.6
$8	27.9	21.3	11.5	11.5	11.5
$9	47.5	36.1	26.2	24.6	24.6
$10	70.5	57.4	45.9	42.6	42.6
$11	83.6	78.7	63.9	60.7	62.3
$12	90.2	86.9	82.0	80.3	80.3
$13	95.1	93.4	86.9	86.9	86.9
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 5.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NE-5

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost production:					
Less than—					
$5	3.4	0	0	0	0
$6	12.1	5.2	1.7	0	0
$7	46.6	24.1	8.6	3.4	3.4
$8	63.8	44.8	37.9	17.2	24.1
$9	81.0	69.0	55.2	37.9	44.8
$10	93.1	77.6	72.4	55.2	65.5
$11	96.6	89.7	86.2	74.1	79.3
$12	96.6	96.6	94.8	84.5	89.7
$13	100.0	96.6	96.6	91.4	94.8
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	0	0	0	0	0
$7	1.7	0	0	0	0
$8	15.5	6.9	1.7	1.7	1.7
$9	37.9	25.9	13.8	12.1	13.8
$10	46.6	39.7	34.5	32.8	34.5
$11	62.1	55.2	41.4	41.4	41.4
$12	79.3	67.2	60.3	58.6	60.3
$13	94.8	87.9	79.3	79.3	79.3
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 6.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NE-6

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	8.1	3.6	1.8	0	0.9
$6	27.0	13.5	7.2	2.7	3.6
$7	51.4	36.9	19.8	9.0	10.8
$8	73.0	52.3	45.0	26.1	36.0
$9	84.7	73.0	61.3	39.6	51.4
$10	94.6	87.4	79.3	57.7	70.3
$11	98.2	94.6	90.1	71.2	82.9
$12	99.1	97.3	95.5	85.6	91.0
$13	100.0	99.1	98.2	90.1	94.6
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	.9	.9	0	0	0
$7	10.8	3.6	1.8	1.8	1.8
$8	21.6	14.4	11.7	11.7	11.7
$9	43.2	33.3	21.6	20.7	20.7
$10	56.8	49.5	38.7	37.8	38.7
$11	71.2	62.2	54.1	54.1	54.1
$12	82.9	78.4	65.8	65.8	65.8
$13	89.2	89.2	83.8	83.8	83.8
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 7.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION A–1

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	2.9	2.9	2.9	0	2.9
$6	16.2	5.9	2.9	2.9	2.9
$7	44.1	26.5	11.8	5.9	7.4
$8	58.8	48.5	30.9	20.6	26.5
$9	72.1	66.2	54.4	39.7	48.5
$10	85.3	76.5	67.6	54.4	58.8
$11	89.7	83.8	79.4	63.2	75.0
$12	92.6	91.2	83.8	72.1	79.4
$13	98.5	95.6	94.1	79.4	89.7
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	1.5	0	0	0	0
$6	4.4	2.9	1.5	1.5	1.5
$7	16.2	8.8	2.9	2.9	2.9
$8	27.9	22.1	16.2	14.7	16.2
$9	52.9	39.7	25.0	25.0	25.0
$10	58.8	55.9	47.1	47.1	47.1
$11	70.6	66.2	57.4	55.9	55.9
$12	82.4	77.9	69.1	64.7	67.6
$13	89.7	86.8	82.4	79.4	79.4
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 8.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION A–2 AND NC–12

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	5.0	0	0	0	0
$6	20.0	15.0	6.7	0	0
$7	38.3	25.0	18.3	3.3	6.7
$8	66.7	45.0	33.3	10.0	21.7
$9	86.7	70.0	56.7	25.0	40.0
$10	95.0	88.3	80.0	50.0	61.7
$11	96.7	95.0	91.7	66.7	81.7
$12	98.3	96.7	96.7	78.3	91.7
$13	98.3	98.3	96.7	88.3	96.7
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	1.7	0	0	0	0
$7	8.3	6.7	0	0	0
$8	16.7	13.3	8.3	6.7	6.7
$9	45.0	30.0	15.0	11.7	13.3
$10	68.3	58.3	40.0	30.0	36.7
$11	83.3	80.0	65.0	55.0	61.7
$12	91.7	91.7	83.3	71.7	78.3
$13	96.7	93.3	91.7	81.7	90.0
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 9.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION SE–1

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	0	0	0	0	0
$6	10.7	0	0	0	0
$7	25.0	10.7	7.1	3.6	7.1
$8	60.7	39.3	21.4	14.3	14.3
$9	85.7	82.1	60.7	39.3	46.4
$10	96.4	89.3	85.7	71.4	78.6
$11	100.0	96.4	96.4	82.1	92.9
$12	100.0	100.0	100.0	89.3	96.4
$13	100.0	100.0	100.0	100.0	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	7.1	3.6	0	0	0
$7	10.7	3.6	3.6	3.6	3.6
$8	46.4	21.4	14.3	10.7	14.3
$9	75.0	67.9	39.3	32.1	39.3
$10	96.4	92.9	75.0	64.3	67.9
$11	96.4	96.4	92.9	85.7	92.9
$12	100.0	96.4	96.4	96.4	96.4
$13	100.0	100.0	100.0	96.4	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 10.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION SE–10

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	1.9	1.9	0	0	0
$6	1.9	1.9	1.9	1.9	1.9
$7	7.5	3.8	1.9	1.9	1.9
$8	26.4	9.4	7.5	7.5	7.5
$9	45.3	32.1	22.6	22.6	22.6
$10	67.9	58.5	43.4	43.4	43.4
$11	83.0	75.5	64.2	62.3	64.2
$12	88.7	83.0	83.0	81.1	83.0
$13	94.3	88.7	86.8	86.8	86.8
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	1.9	1.9	0	0	0
$6	1.9	1.9	1.9	1.9	1.9
$7	7.5	3.8	1.9	1.9	1.9
$8	24.5	9.4	5.7	5.7	5.7
$9	43.4	32.1	22.6	22.6	22.6
$10	67.9	56.6	43.4	43.4	43.4
$11	83.0	75.5	64.2	62.3	64.2
$12	88.7	83.0	83.0	83.0	83.0
$13	92.5	88.7	86.8	86.8	86.8
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 11.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION SC–3

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	4.2	4.2	0	0	0
$6	4.2	4.2	4.2	4.2	4.2
$7	16.7	4.2	4.2	4.2	4.2
$8	33.3	25.0	8.3	8.3	8.3
$9	50.0	41.7	29.2	29.2	29.2
$10	66.7	58.3	45.8	41.7	45.8
$11	70.8	66.7	62.5	58.3	58.3
$12	87.5	83.3	70.8	62.5	66.7
$13	91.7	87.5	87.5	83.3	83.3
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	4.2	4.2	4.2	4.2	4.2
$7	8.3	4.2	4.2	4.2	4.2
$8	25.0	16.7	8.3	8.3	8.3
$9	41.7	33.3	20.8	16.7	20.8
$10	58.3	50.0	41.7	41.7	41.7
$11	70.8	62.5	58.3	58.3	58.3
$12	83.3	75.0	66.7	62.5	66.7
$13	91.7	83.3	83.3	83.3	83.3
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 12.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION SC–8

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	0	0	0	0	0
$6	3.3	0	0	0	0
$7	13.3	6.7	0	0	0
$8	40.0	20.0	13.3	0	6.7
$9	60.0	40.0	33.3	13.3	20.0
$10	86.7	70.0	56.7	26.7	43.3
$11	93.3	90.0	73.3	53.3	66.7
$12	96.7	93.3	93.3	73.3	86.7
$13	96.7	96.7	96.7	90.0	93.3
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	0	0	0	0	0
$7	6.7	0	0	0	0
$8	20.0	13.3	6.7	3.3	3.3
$9	30.0	20.0	16.7	13.3	13.3
$10	56.7	53.3	30.0	16.7	23.3
$11	76.7	73.3	53.3	43.3	53.3
$12	90.0	86.7	76.7	70.0	73.3
$13	93.3	93.3	90.0	83.3	90.0
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 13.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NC–14

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	4.9	0	0	0	0
$6	18.4	11.7	4.9	1.0	2.9
$7	43.7	31.1	18.4	11.7	16.5
$8	66.0	57.3	40.8	28.2	34.0
$9	83.5	70.9	62.1	47.6	60.2
$10	85.4	83.5	76.7	68.9	72.8
$11	91.3	90.3	84.5	78.6	82.5
$12	98.1	93.2	90.3	86.4	89.3
$13	98.1	97.1	96.1	92.2	96.1
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	1.0	0	0	0	0
$6	10.7	6.8	1.0	1.0	1.0
$7	27.2	19.4	11.7	8.7	8.7
$8	47.6	35.9	25.2	25.2	25.2
$9	67.0	59.2	45.6	43.7	44.7
$10	81.6	75.7	69.9	68.9	69.9
$11	86.4	82.5	79.6	75.7	78.6
$12	91.3	87.4	85.4	84.5	85.4
$13	96.1	93.2	92.2	91.3	91.3
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 14.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NC–9

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	22.2	7.4	1.9	0	0
$6	40.7	27.8	13.0	1.9	5.6
$7	59.3	46.3	38.9	9.3	22.2
$8	79.6	63.0	51.9	27.8	42.6
$9	88.9	81.5	72.2	48.1	53.7
$10	100.0	88.9	85.2	57.4	74.1
$11	100.0	96.3	92.6	68.5	85.2
$12	100.0	100.0	96.3	87.0	94.4
$13	100.0	100.0	100.0	92.6	96.3
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	5.6	1.9	1.9	1.9	1.9
$7	20.4	11.1	3.7	3.7	3.7
$8	29.6	25.9	20.4	18.5	20.4
$9	57.4	40.7	29.6	29.6	29.6
$10	66.7	61.1	51.9	48.1	51.9
$11	83.3	74.1	66.7	66.7	66.7
$12	92.6	88.9	81.5	74.1	77.8
$13	94.4	92.6	90.7	88.9	90.7
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 15.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NC–10

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	7.8	3.1	1.6	1.6	1.6
$6	26.6	9.4	4.7	1.6	3.1
$7	46.9	32.8	18.8	4.7	6.3
$8	73.4	54.7	46.9	12.5	26.6
$9	81.3	73.4	64.1	37.5	48.4
$10	90.6	81.3	76.6	48.4	65.6
$11	92.2	89.1	84.4	67.2	78.1
$12	98.4	90.6	89.1	78.1	85.9
$13	100.0	96.9	92.2	87.5	89.1
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	0	0	0	0	0
$7	3.1	1.6	0	0	0
$8	12.5	6.3	3.1	3.1	3.1
$9	31.3	23.4	10.9	9.4	10.9
$10	53.1	45.3	26.6	26.6	26.6
$11	68.8	64.1	48.4	46.9	48.4
$12	81.3	76.6	67.2	65.6	65.6
$13	87.5	81.3	79.7	76.6	79.7
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 16.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NC–11

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	6.9	0	0	0	0
$6	27.6	13.8	3.4	0	0
$7	44.8	34.5	27.6	0	6.9
$8	65.5	48.3	44.8	24.1	27.6
$9	75.9	72.4	51.7	41.4	44.8
$10	86.2	86.2	75.9	51.7	55.2
$11	100.0	86.2	86.2	65.5	75.9
$12	100.0	96.6	93.1	82.8	86.2
$13	100.0	100.0	96.6	89.7	93.1
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	0	0	0	0	0
$7	13.8	3.4	0	0	0
$8	17.2	13.8	10.3	10.3	10.3
$9	31.0	20.7	17.2	17.2	17.2
$10	51.7	44.8	31.0	27.6	31.0
$11	69.0	51.7	48.3	48.3	48.3
$12	79.3	79.3	65.5	65.5	65.5
$13	89.7	86.2	82.8	79.3	79.3
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 17.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NC-8

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	13.5	4.5	1.1	0	0
$6	41.6	18.0	7.9	2.2	3.4
$7	64.0	46.1	28.1	5.6	12.4
$8	80.9	66.3	53.9	20.2	41.6
$9	93.3	83.1	76.4	48.3	60.7
$10	96.6	89.9	85.4	67.4	77.5
$11	97.8	95.5	94.4	78.7	85.4
$12	100.0	97.8	96.6	86.5	93.3
$13	100.0	100.0	97.8	94.4	96.6
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	1.1	0	0	0	0
$7	6.7	4.5	3.4	2.2	3.4
$8	21.3	13.5	5.6	5.6	5.6
$9	51.7	37.1	21.3	20.2	20.2
$10	69.7	58.4	47.2	46.1	47.2
$11	85.4	74.2	67.4	66.3	67.4
$12	92.1	87.6	80.9	77.5	77.5
$13	94.4	92.1	91.0	91.0	91.0
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 18.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NC-15

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	31.4	12.9	2.9	0	0
$6	65.7	42.9	25.7	1.4	10.0
$7	85.7	70.0	57.1	21.4	37.1
$8	98.6	90.0	77.1	50.0	64.2
$9	100.0	98.6	97.1	67.1	84.3
$10	100.0	100.0	98.6	87.1	97.1
$11	100.0	100.0	100.0	92.9	100.0
$12	100.0	100.0	100.0	98.6	100.0
$13	100.0	100.0	100.0	100.0	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	1.4	0	0	0	0
$6	2.9	1.4	1.4	1.4	1.4
$7	20.0	10.0	2.9	2.9	2.9
$8	50.0	32.9	17.1	14.3	15.7
$9	70.0	61.4	48.6	47.1	48.6
$10	87.1	77.1	70.0	68.6	70.0
$11	95.7	92.9	85.7	85.7	85.7
$12	98.6	97.1	95.7	94.3	95.7
$13	100.0	98.6	98.6	98.6	98.6
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 19.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NC-6

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	23.2	6.1	2.4	1.2	1.2
$6	47.6	25.6	12.2	2.4	6.1
$7	74.4	61.0	45.1	12.2	24.4
$8	85.4	81.7	72.0	31.7	42.7
$9	90.2	85.4	81.7	61.0	72.0
$10	96.3	90.2	87.8	79.3	84.1
$11	98.8	93.9	91.5	86.6	90.2
$12	100.0	97.6	95.1	90.2	93.9
$13	100.0	100.0	98.8	93.9	97.6
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	1.2	1.2	0	0	0
$6	8.5	2.4	1.2	1.2	1.2
$7	20.7	9.8	6.1	6.1	6.1
$8	37.8	23.2	15.9	14.6	14.6
$9	62.2	52.4	36.6	31.7	34.1
$10	81.7	70.7	57.3	56.1	57.3
$11	89.0	86.6	75.6	75.6	75.6
$12	91.5	89.0	89.0	87.8	87.8
$13	93.9	91.5	91.5	91.5	91.5
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 20.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NC-7

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	20.0	0	0	0	0
$6	50.0	20.0	20.0	0	0
$7	60.0	50.0	50.0	10.0	10.0
$8	90.0	70.0	60.0	30.0	40.0
$9	90.0	90.0	90.0	40.0	50.0
$10	100.0	90.0	90.0	50.0	90.0
$11	100.0	100.0	100.0	80.0	90.0
$12	100.0	100.0	100.0	90.0	100.0
$13	100.0	100.0	100.0	100.0	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	0	0	0	0	0
$7	10.0	10.0	0	0	0
$8	20.0	10.0	10.0	10.0	10.0
$9	50.0	40.0	40.0	30.0	30.0
$10	90.0	70.0	50.0	40.0	50.0
$11	90.0	90.0	80.0	80.0	80.0
$12	100.0	90.0	90.0	90.0	90.0
$13	100.0	100.0	100.0	100.0	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 21.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NC–2

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	31.0	8.6	0	0	0
$6	70.7	37.9	24.1	0	3.4
$7	91.4	69.0	58.6	10.3	25.9
$8	96.6	87.9	81.0	37.9	60.3
$9	98.3	94.8	89.7	63.8	79.3
$10	100.0	96.6	96.6	81.0	89.7
$11	100.0	98.3	96.6	93.1	96.6
$12	100.0	98.3	98.3	96.6	98.3
$13	100.0	100.0	100.0	98.3	98.3
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0	0	0	0	0
$6	3.4	0	0	0	0
$7	19.0	8.6	3.4	3.4	3.4
$8	43.1	27.6	17.2	15.5	15.5
$9	67.2	53.4	46.6	44.8	44.8
$10	79.3	70.7	63.8	63.8	63.8
$11	93.1	84.5	81.0	81.0	81.0
$12	98.3	93.1	91.4	91.4	91.4
$13	98.3	98.3	96.6	96.6	96.6
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 22.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION NC–5 AND GP–7

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	20.8	5.7	3.8	3.8	3.8
$6	52.8	35.8	15.1	3.8	3.8
$7	66.0	54.7	47.2	15.1	24.5
$8	81.1	69.8	64.2	37.7	50.9
$9	92.5	83.0	73.6	54.7	67.9
$10	100.0	88.7	84.9	73.6	79.2
$11	100.0	100.0	94.3	83.0	84.9
$12	100.0	100.0	100.0	86.8	94.3
$13	100.0	100.0	100.0	92.5	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	3.8	3.8	3.8	0	3.8
$6	11.3	5.7	3.8	3.8	3.8
$7	18.9	15.1	11.3	11.3	11.3
$8	39.6	32.1	18.9	17.0	18.9
$9	66.0	52.8	43.4	43.4	43.4
$10	79.2	71.7	62.3	62.3	62.3
$11	90.6	86.8	75.5	75.5	75.5
$12	94.3	90.6	90.6	90.6	90.6
$13	100.0	96.2	92.5	92.5	92.5
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 23.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION W–8

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	9.0	4.0	2.0	0	0
$6	24.0	15.0	7.0	1.0	2.0
$7	49.0	32.0	21.0	7.0	12.0
$8	73.0	63.0	43.0	19.0	26.0
$9	87.0	80.0	67.0	39.0	52.0
$10	93.0	87.0	83.0	61.0	71.0
$11	96.0	92.0	89.0	74.0	84.0
$12	97.0	95.0	95.0	85.0	90.0
$13	99.0	98.0	96.0	90.0	94.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	1.0	0	0	0	0
$6	7.0	2.0	1.0	1.0	1.0
$7	18.0	12.0	6.0	3.0	6.0
$8	39.0	31.0	18.0	15.0	16.0
$9	64.0	50.0	38.0	32.0	36.0
$10	77.0	68.0	59.0	54.8	58.0
$11	86.0	84.0	76.0	71.0	73.0
$12	93.0	89.0	87.0	80.0	84.0
$13	95.0	94.0	92.0	88.0	91.0
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 24.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, SUBREGION W–9

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	3.6	2.4	1.2	0	0
$6	14.3	6.0	3.6	2.4	2.4
$7	33.3	23.8	13.1	10.7	10.7
$8	61.9	52.4	33.3	22.6	25.0
$9	85.7	73.8	60.7	51.2	54.8
$10	95.2	92.9	82.1	73.8	76.2
$11	100.0	97.6	95.2	92.9	92.9
$12	100.0	100.0	98.8	97.6	97.6
$13	100.0	100.0	100.0	98.8	100.0
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	2.4	1.2	0	0	0
$6	7.1	4.8	2.4	2.4	2.4
$7	16.7	8.3	7.1	6.0	6.0
$8	45.2	32.1	15.5	15.5	15.5
$9	70.2	60.7	45.2	44.0	44.0
$10	82.1	77.4	65.5	64.3	64.3
$11	94.0	86.9	81.0	81.0	81.0
$12	96.4	96.4	94.0	92.9	92.9
$13	96.4	96.4	96.4	96.4	96.4
$13 or more	100.0	100.0	100.0	100.0	100.0

TABLE 5.—DISTRIBUTION OF DAIRY FARMERS BY COST LEVELS, 1974, ALL SPECIFIED SUBREGIONS

Cost per hundredweight of milk	Percent				
				Direct, overhead, management, and land costs	
	Direct costs	Direct and overhead costs	Direct, overhead and management costs	Composite current value	Composite acquisition value
Feed charged at cost of production:					
Less than—					
$5	15.6	5.4	1.6	0.5	0.6
$6	38.2	21.1	11.2	2.1	4.5
$7	60.3	42.5	30.7	10.6	17.8
$8	78.4	64.2	51.5	28.1	39.7
$9	88.7	80.6	72.4	49.3	60.8
$10	94.6	88.6	84.1	68.3	77.8
$11	97.9	94.1	91.1	80.3	86.9
$12	99.2	97.2	95.3	88.2	93.0
$13	99.7	99.0	98.0	93.8	96.5
$13 or more	100.0	100.0	100.0	100.0	100.0
Feed charged at price received:					
Less than—					
$5	0.9	0.4	0.2	0.1	0.2
$6	4.2	1.6	1.0	1.0	1.0
$7	14.2	7.9	3.9	3.6	3.8
$8	31.5	20.9	12.5	11.5	11.9
$9	55.9	43.1	30.7	28.8	29.6
$10	73.2	63.3	52.2	50.4	51.9
$11	85.0	78.7	70.2	69.2	69.9
$12	91.9	87.6	82.9	80.9	81.9
$13	95.7	93.2	90.7	89.9	90.5
$13 or more	100.0	100.0	100.0	100.0	100.0

Appendix E

AVERAGE OF MILK PRICES RECEIVED, AVERAGE NUMBER OF MILK COWS, AND MILK PRODUCTION PER COW, BY SUBREGION, 1974

Subregion	Milk prices received per hundredweight [1]	Milk cows per farm [2]	Milk production per cow (pounds)
NE–1	$8.47	57.0	10,952
NE–2	8.99	63.0	10,772
NE–3	8.50	53.0	10,953
NE–4	8.72	50.0	11,583
NE–5	8.63	49.0	10,664
NE–6	8.73	54.0	11,005
A–1	8.77	50.5	10,189
A–2 and NC–12	8.57	51.0	9,565
SE–1	9.72	111.5	10,716
SE–10	10.91	518.0	9,356
SC–3	8.38	120.5	9,185
SC–8	8.78	101.5	8,454
NC–14	7.97	56.0	10,131
NC–9	8.65	48.0	11,328
NC–10	8.65	54.5	10,875
NC–11	8.43	68.5	10,931
NC–8	7.92	46.5	10,646
NC–15	7.81	41.5	11,537
NC–6	7.69	42.5	10,919
NC–7	7.45	41.0	10,307
NC–2	7.45	42.0	11,536
NC–5 and GP–7	7.41	46.0	10,136
W–8	8.20	81.0	12,571
W–9	8.37	300.0	13,035
All subregions	8.39	48.0	10,930

[1] The average of gross milk prices received by the farmers interviewed in the 24 areas studied, before deductions for local hauling and marketing services provided.

[2] The average of Jan. 1, 1974, and Jan. 1, 1975, inventory numbers.

Appendix F

AVERAGE YIELD PER HARVESTED ACRE FOR SELECTED FEEDS, BY SUBREGION AND FOR ALL SUBREGIONS, 1974

Subregion	Corn for grain (bushels)	Oats for grain (bushels)	Alfalfa hay, baled (tons)	Other tame hay, baled (tons)	Corn for silage (tons)
NE–1	96.5	60.3	3.38	2.47	12.38
NE–2	104.9	(1)	2.16	2.30	13.80
NE–3	86.7	65.9	2.94	2.44	13.12
NE–4	89.3	55.5	3.36	2.81	10.62
NE–5	97.4	59.0	3.88	3.21	13.81
NE–6	94.5	57.7	5.05	2.93	14.60
A–1	78.8	49.4	3.64	2.25	14.96
A–2 and NC–12	82.8	31.2	3.21	2.58	16.01
SE–1	(1)	(1)	(1)	1.80	10.78
SE–10	(1)	(1)	(1)	2.21	(1)
SC–3	(1)	(1)	(1)	2.63	(1)
SC–8	(1)	(1)	(1)	2.51	(1)
NC–14	(1)	(1)	3.15	2.02	7.23
NC–9	81.2	64.9	4.92	3.44	14.20
NC–10	56.9	54.8	2.52	2.65	9.60
NC–11	79.2	65.9	2.69	3.56	10.21
NC–8	83.0	64.8	3.27	(1)	10.33
NC–15	84.0	67.4	3.19	3.61	12.77
NC–6	47.4	54.2	2.78	2.57	9.43
NC–7	94.8	54.3	(1)	3.01	14.14
NC–2	63.5	66.4	4.13	2.10	11.32
NC–5 and GP–7	42.3	48.5	2.28	1.31	6.62
W–8	(1)	(1)	3.61	2.23	20.50
W–9	(1)	(1)	7.37	2.97	23.55
All subregions	76.9	59.0	3.59	2.46	12.52

[1] No observations or too few observations for a meaningful average.

Appendix G

MEASURES OF VARIABILITY

The farmers to be surveyed were chosen from a population list by selecting at random the starting name on the list from a sample interval, m, that would result in the desired sample size, n_i. From that starting name every m^{th} name was selected. This is classified as a systematic random sample without replacements.

The costs per cow milked and per hundredweight of dairy commodities were computed for each farm. To compute the average cost per subregion the costs per farm were weighted by the number of cows and the production of dairy commodities expressed in hundredweight of milk equivalent as follows:

$$\overline{C}_{i.}=\frac{\sum_{j=1}^{n_i} C_{ij}M_{ij}}{\sum_{j=1}^{n_i} M_{ij}} \quad \text{and} \quad \overline{C}_{k.}=\frac{\sum_{h=1}^{n_k} C_{kh}K_{kh}}{\sum_{h=1}^{n_k} K_{kh}}$$

where:

$\overline{C}_{i.}$ =average cost per hundredweight of dairy commodities produced in i^{th} subregion.

C_{ij} =cost per hundredweight of dairy commodities produced on the jth farm in the ith subregion.

M_{ij} =quantity of dairy commodities, expressed in hundredweight of milk equivalent, produced on the jth farm in the ith subregion.

$\overline{C}_{k.}$ =average cost per cow milked in the kth subregion.

C_{kh} =cost per cow milked on the hth farm in the kth subregion.

K_{kh} =number of cows milked on the hth farm in the kth subregion.

n_i =number of farms in the ith subregion for hundredweight of milk.

n_k =number of farms in the kth subregion for number of cows.

To measure the variation of the costs per farm a weighted standard deviation was computed as:

$$s_i=\sqrt{\frac{\sum_{j=1}^{n_i} M_{ij}(C_{ij}-\overline{C}_{i.})^2}{\sum_{j=1}^{n_i} M_{ij.}}}$$ for cost per hundredweight of milk equivalent,

and

$$s_k=\sqrt{\frac{\sum_{h=1}^{n_k} K_{kh}(C_{kh}-\overline{C}_{k.})^2}{\sum_{h=1}^{n_k} K_{kh}}}$$ for cost per cow.

The averages and standard deviations for all subregions were computed with the same formula with the weights modified by multiplying the production per farm, M_{ij}, and the number of cows milked, K_{kh}, by the ratio of total number of milk cows in each subregion to the respective survey number of milk cows.

The averages and relative standard deviations for all subregions for (1) total direct costs, (2) total direct and overhead costs, (3) total direct, overhead and management costs and (4) total costs (including the composite land allocations with owned land at both the current value and average acquisition value), per hundredweight of milk equivalent and per cow milked are shown in table 1 below. In general, the total direct costs and total direct plus overhead costs showed the largest variability. All of the relative standard deviations are approximately equal.

TABLE 1.—AVERAGE COSTS PER COW MILKED AND PER HUNDREDWEIGHT OF MILK PRODUCED WITH RELATIVE STANDARD DEVIATIONS OF MEASUREMENTS, ALL SUBREGIONS, 1974

Cost items	Cost per cow	Relative standard deviation (percent)	Cost per hundredweight of milk	Relative standard deviation (percent)
Direct costs [1]	$977.63	28.72	$6.74	25.62
Direct and overhead costs	1,088.45	27.29	7.50	24.32
Direct, overhead, and management costs	1,170.42	26.22	8.06	22.76
Direct, overhead, management, and land costs [2]	1,314.24	24.04	9.05	21.63
Do. [3]	1,245.48	24.68	8.58	21.59

[1] Direct costs include homegrown feed valued at cost of production.
[2] Owned land portion of composite land allocation computed on current value for agricultural purposes.
[3] Owned land portion of composite land allocation computed on average acquisition value for agricultural purposes.

Appendix H

COST PRODUCTION ADVISORY COMMITTEE MEMBERS

Industry

Mr. George Anderson, National Association of Wheat Growers.
Mr. Elbert Harp, Grain Sorghum Producers Association.
Mr. Walter W. Goeppinger, president, National Corn Growers Association.
Mr. William Prichard, American Soybean Associates.
Mr. Judson Mason, National Milk Producers Federation.
Mr. Donald DeBord, National Cotton Council of America.

Farm Organizations

Mr. John Scott, National Grange.
Mr. W. E. Hamilton, American Farm Bureau Federation.
Mr. Arthur Thompson, National Farmers Union.
Mr. Roger Blobaum, National Farmers Organization.

Extension Service

Dr. Buel F. Lanpher, Extension Service, U.S. Department of Agriculture.

Universities

Dr. M. Eugene Quenemoen, Department of Agricultural Economics, Montana State University.
Dr. Darrel E. Kletke, Department of Agricultural Economics, Oklahoma State University.

Agricultural Economic Associations

Dr. Harold O. Carter, Western, Department of Agricultural Economics, University of California.
Dr. Verner G. Hurt, Southern, Department of Agricultural Economics, Mississippi State University.
Dr. George J. Conneman, Jr., Northeastern, Department of Agricultural Economics, Cornell University.
Dr. C. B. Baker, American, Department of Agricultural Economics, University of Illinois.

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