

2002 FARROW-TO-FINISH HOG PRODUCTION BUDGET¹



Low Investment
Farrow 6 times per year
Sow and 2 Litters

ITEM	QUANTITY/UNIT	PRICE PER UNIT	AMOUNT	YOUR BUDGET
RECEIPTS²				
Market Hogs ³	3,120 lb	\$0.40 /lb	\$1,248	_____
Sows	213 lb	0.30 /lb	64	_____
Non-Breeders	43 lb	0.33 /lb	14	_____
Boars	21 lb	0.15 /lb	3	_____
TOTAL RECEIPTS			1329	_____
VARIABLE COSTS				
Feed ⁴				
Corn	177 bu	2.30 /bu	407	_____
Supplement	2,480 lb	0.12 /lb	298	_____
Other Feed Item(s)				_____
TOTAL FEED COSTS			705	
Vet and Med.			30	_____
Boar Purchase	0 boar	400 boar	20	_____
Marketing ⁵			35	_____
Power and Fuel			55	_____
Miscellaneous			42	_____
Int. on Operating Cap. ⁶	\$213	12 mo	9%	19
TOTAL VARIABLE COSTS			906	_____
FIXED COSTS				
Interest on Sows ⁷	\$200	9%	18	_____
Labor Charge	19 hours	8.00 /hr	152	_____
Equipment Charge ⁸	\$440	17.6%	77	_____
Buildings Charge ⁸	\$1,920	14.7%	282	_____
Management Charge	5% of gross revenue		66	_____
TOTAL FIXED COSTS			596	_____
TOTAL COSTS			1502	_____
	Market Hogs @	\$35	\$40	\$45
RETURN ABOVE VARIABLE COSTS⁹		258	424	590
RETURN ABOVE TOTAL COSTS⁹		(330)	(172)	(15)

¹. Budget for a sow farrowing twice a year using, farrowing, nursery, and finishing building.

². Market hogs are sold at 240 lbs. A sow lasts 4 litters and weighs 425 lbs. when sold.
Non-breeders are sold at 300 lbs. and boars are sold at 425 lbs.

³. Production records show that a portion of the sows exposed do not have two litters, leading to a 14 pig per sow average - 0.50 pig saved as replacements and 0.50 pig lost during finishing.

⁴. Feed conversion (entire herd) = 390 lbs feed/ cwt. of gain of market hogs

⁵. Includes \$2.35 per hog sold, \$1.50 per cwt. for cull breeding stock.

⁶. 25% of all variable costs except marketing and interest for 12 months at 9%.

⁷. Includes a sow at \$150 and 50% of a gilt at \$100

⁸. Est. new cost of equip. and build. per sow and 2 litters assuming sows are farrowed 8 times/year.

⁹. All costs except management held constant and total receipts