

ECONOMIC COMPARISON OF INPUT PRICE CHANGES ON REPRESENTATIVE LIVESTOCK OPERATIONS BEFORE AND AFTER THE ENERGY INDEPENDENCE AND SECURITY ACT OF 2007



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PURPOSE

The purpose of this report is to show the differences in the economic well being of cow-calf ranches and dairy farms before and after the enactment of the Energy Independence and Security Act of 2007 (2007 Energy Act). The 2007 Energy Act was signed into law in December 2007. The Food and Agricultural Policy Research Institute (FAPRI) develops a 10-year Baseline every January. The FAPRI Baseline assumes continuation of current policies for agriculture and renewable fuels.

The January 2007 and January 2011 FAPRI Baselines are used for the current report. Projected prices for feed grains, soybean meal and hay are reported in Table 1 for both Baselines over the 2009-2016 planning horizon used for the report. Corn prices ranged from \$2.99-\$3.25/bu over the period for the January 2007 Baseline. Under the January 2011 Baseline corn prices were considerably higher, ranging from \$3.55 to \$5.32/bu with the average 2012-2016 prices being about \$4.74/bu. Soybean meal prices for the January 2011 Baseline are 71% to 95% higher than the 2007 Baseline.

Over the 2010-2016 period the January 2011 Baseline projected feeder cattle prices were 27% to 37% higher than the 2007 Baseline prices (Table 1). The projected annual national milk prices were 13% to 30% higher for the 2011 Baseline (Table 1).

The FAPRI Baselines also provide projections for the annual rates of inflation for agricultural inputs (Table 2). The January 2011 Baseline has considerably higher annual rates of inflation than the 2007 Baseline for: fertilizer, herbicides, insecticides, fuel and lube, taxes, and the Prices Paid Index in general. Annual inflation for the CPI was projected to be higher over the 2013-2016 period under the 2011 Baseline.

The two FAPRI Baselines were used as input to simulate selected AFPC representative farms (six beef cattle ranches and six dairy farms, Figure 1). Information to describe the farms and ranches used for this report are in Appendix A. The farms and ranches were simulated for 2011-2016 using the historical production risks on the operations as well as the historical price risks.

REPRESENTATIVE FARMS

AFPC has developed and maintains data to simulate representative crop farms, dairies, and livestock operations chosen from major production areas across the United States. Information necessary to simulate the economic activity on these representative farms is developed from panels of producers using a consensus-building interview process. Often, two farms are developed in each region using separate panels of producers: one is representative of moderate size full-time farm operations, and the second panel usually represents farms two to three times larger.

The data collected from the panel farms are analyzed using the whole farm simulation model (FLIPSIM) developed by AFPC. The producer panels are provided pro-forma financial statements for their representative farm and are asked to verify the accuracy of simulated results for the past year and the reasonableness of a six-year projection. Each panel must approve the model's ability to reasonably reflect the economic activity on their representative farm prior to using the farm for policy analyses.

All farms used in the report have been updated through panel discussions since February 2008, with the majority being updated in the last two years. Initial debt levels in 2009 for dairy farms were set at 30 percent and initial debt levels for beef cattle ranches were 1 percent for land and 5 percent for cattle and machinery. The debt levels the farms have at the outset of 2009 are based on a stratified tabulation of the ERS-USDA Farm Cost and Returns Survey (using the survey data for moderate to large size farms in states where AFPC has representative farms) and panel member input.

RESULTS

The results of simulating the selected ranches and dairy farms under the two Baselines are summarized three ways: costs in \$/head and \$/cwt in Table 3; stacked bar charts showing how costs changed for different categories of costs in Figures 2 through 7; and total receipts, total cash costs and net cash income in Tables 4 and 5.

Beef Cattle Ranches

Per head costs of feed and crop production on the beef cattle ranches show an increase from the 2007 Baseline to the 2011 Baseline (Table 3). For example, the South Dakota beef cattle ranch with 375 cows (SDB375) would see about a \$1 to \$4/head increase in feed costs under the 2011 Baseline. The stacked bar chart for the SDB375 ranch shows the slight increase in feed costs (Figure 3a). The ranches with the highest per head increases in feed costs were in the Texas Rolling Plains and Florida (Table 2 and Figure 4). Total costs per head increased for all of the ranches.

This analysis represents a partial look at the cattle industry in that it only examines cow-calf production. No stocker operations or feedlots are included. Cow-calf production uses little purchased feed relative to total costs because ranches rely on grazing pastures and range.

It is also important to note that this analysis uses an annual model to develop the baseline. Annual models use annual data to develop the baseline. There is considerable within year seasonality in prices and cow-calf producers normally sell most of their calves at one point in the year (most commonly in the Fall). Events, such as sharp increases in feed costs have an immediate effect reducing calf prices.

The cattle industry has often been characterized as having a production cycle. Because of the biological nature of production it takes several years to adjust cattle inventory and production to cost changes. Sharply higher feed costs and other costs resulted in losses throughout the industry over this time period. The 2007 baseline represents a baseline of costs and prices influenced by cost and price levels of the most recent past years (2004, 2005 and 2006). The 2011 baseline reflects the “new” level of costs and prices. Declining calf prices from 2006 through 2009 triggered reductions in the cattle inventory that is continuing today. Reduced numbers of calves is now leading to the higher calf prices that are reflected in the 2011 baseline.

Not all the cost increases on the ranches are feed costs. Inflation rates (Table 2) for some purchased inputs are projected to increase at a faster rate in the 2011 baseline than in the 2007 baseline. Cash expenses in 2016 for the Nevada ranch (NVB700) were \$36.30 per cow higher in the 2011 baseline. Of that \$36 cost increase, about \$11 was attributed to higher feed costs (Table 3). For the Texas Rolling Plains ranch (TXRP500), in 2016, total costs were

\$57.44 per cow higher in the 2011 baseline. Feed costs were about \$34 higher in the 2011 baseline in 2016, or 60% of the total cost per cow increase.

Average total receipts for all six ranches increased more than average total cash costs for the 2011 Baseline (Table 4). As a result average annual net cash farm incomes under the 2011 Baseline were higher than under the 2007 Baseline.

Dairy Farms

Under the 2011 Baseline the cost of feed expressed on a cwt of milk basis increased significantly, relative to the 2007 Baseline (Table 3). For example, the California dairy with 1,710 cows (CAD1710) would see a 35% increase in feed cost in 2011 under the 2011 Baseline over the 2007 Baseline and about a 39% increase by 2016 (Table 2 and Figure 5a). The Texas and Florida dairies were disadvantaged more by the higher feed costs than the other dairies because purchased feeds makeup a larger proportion of their total costs.

Higher milk prices under the 2011 Baseline more than offset the increased feed costs resulting in much greater profits for the six dairy farms (Table 5). The results in Table 5 show that total cash receipts are much higher under the 2011 Baseline for all six dairies, with California and Texas dairies showing the largest increases. The average 2007-2011 increase in cash receipts for the California dairy, \$1.8 million, more than offset the \$1.1 million increase in cash costs. Average annual net cash income for the California dairy increased \$732,000 each year.

This analysis uses the 2007 and 2001 baselines. It is important to note that this analysis does not directly address the adjustment period of sharply rising feedcosts and the global recession. The dairy industry faced, arguably, the worst financial conditions ever in 2009. The following year, 2010, was characterized as largely breakeven financially. The baseline comparison incorporates higher milk prices in the 2011 baseline, which are the result of the economic adjustment between 2007 and 2010. As a result, total cash receipts are much higher under the 2011 baseline.

SUMMARY

The report compared the economic outlook over the 2011-2016 period for 6 representative beef cattle ranches and 6 representative dairy farms under two Baseline Scenarios. This time period was chosen to reflect changes after the enactment of the Energy Independence and Security Act of 2007 (2007 Energy Act). The FAPRI January 2007 and 2011 Baselines were used for the analysis.

Higher feed prices in the 2011 Baseline increased feed costs per head for beef cattle ranches and dairies. However, higher beef prices and milk prices will most likely offset the higher feed costs. For all six ranches and all six dairies, net cash farm incomes are projected to be higher under the 2011 Baseline than the 2007 Baseline.



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Table 1. Side-by-Side Comparison of Average Annual Prices for Crops, Cattle, and Milk in the January 2007 and January 2011 FAPRI Baselines.

		2009	2010	2011	2012	2013	2014	2015	2016
Crop Prices									
Corn (\$/bu.)	January 2007	3.25	3.22	3.19	3.15	3.10	3.06	3.03	2.99
	January 2011	3.55	5.32	5.01	4.70	4.70	4.74	4.74	4.74
Wheat (\$/bu.)	January 2007	4.11	4.15	4.17	4.19	4.18	4.17	4.18	4.19
	January 2011	4.87	5.70	5.86	5.60	5.41	5.39	5.43	5.47
Sorghum (\$/bu)	January 2007	3.01	3.02	3.02	3.01	2.99	2.98	2.98	2.98
	January 2011	3.22	5.43	4.45	4.36	4.34	4.36	4.40	4.42
Soybeans (\$/bu.)	January 2007	7.01	6.90	6.83	6.76	6.66	6.55	6.47	6.37
	January 2011	9.59	11.69	12.31	11.48	11.33	11.31	11.34	11.40
Soybean Meal (\$/ton)	January 2007	173.62	169.75	167.79	165.67	161.68	156.63	152.09	147.65
	January 2011	296.89	322.72	307.59	284.37	283.91	284.13	285.54	287.94
All Hay (\$/ton)	January 2007	108.99	109.53	109.39	108.59	107.31	106.00	104.54	103.85
	January 2011	111.00	113.64	121.27	118.28	116.16	116.13	117.81	119.20
Cattle Prices									
Feeder Cattle (\$/cwt)	January 2007	95.64	90.51	91.54	95.57	99.68	103.22	106.61	107.93
	January 2011	101.89	115.11	118.85	131.18	134.33	136.06	132.91	130.39
Fed Cattle (\$/cwt)	January 2007	84.36	82.36	82.40	83.08	84.24	85.26	86.57	86.96
	January 2011	83.25	95.38	105.49	109.99	110.36	110.80	108.80	107.51
Culled Cows (\$/cwt)	January 2007	47.23	45.95	46.23	47.16	48.41	49.29	49.96	50.35
	January 2011	47.01	56.89	64.59	67.48	68.73	69.68	66.86	64.40
Milk Prices									
All Milk Price (\$/cwt)	January 2007	14.28	14.35	14.50	14.49	14.44	14.42	14.32	14.50
	January 2011	12.83	16.31	17.60	18.14	18.25	18.36	18.56	18.87

Source: Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri-Columbia and Iowa State University.

Table 2. Side-by-Side Comparison of Assumed Rates of Change in Input Prices, Annual Interest Rates, and Annual Changes in Land Values in the January 2007 and January 2011 Baselines, 2010-2016

	2009	2010	2011	2012	2013	2014	2015	2016
Annual Rate of Change for Input Prices Paid								
Seed Prices (%)								
January 2007		1.49	1.66	1.40	1.65	1.83	1.94	1.96
January 2011		-3.68	2.71	5.99	1.53	1.28	2.14	1.87
Fertilizer Prices (%)								
January 2007		-0.95	-0.32	-1.05	0.20	0.59	0.72	0.65
January 2011		-7.00	9.39	6.86	3.68	1.36	2.07	1.65
Herbicides Prices(%)								
January 2007		1.08	1.29	1.09	1.28	1.46	1.52	1.52
January 2011		-4.96	4.85	4.16	3.25	2.31	2.59	1.86
Insecticide Prices (%)								
January 2007		1.42	1.72	1.46	1.55	1.64	1.49	1.15
January 2011		1.86	3.24	3.57	2.97	2.26	2.50	1.82
Fuel and Lube Prices (%)								
January 2007		-0.51	-1.17	-1.41	-1.07	-0.84	0.04	0.29
January 2011		24.12	7.54	6.02	3.70	2.60	3.36	2.85
Machinery Prices (%)								
January 2007		1.81	2.10	2.08	2.26	2.31	2.27	2.21
January 2011		2.70	2.79	2.64	2.67	2.85	2.79	2.46
Wages (%)								
January 2007		2.96	3.09	3.12	2.91	2.79	2.74	2.70
January 2011		1.07	2.38	2.10	2.34	2.70	2.82	3.05
Supplies (%)								
January 2007		2.22	2.03	1.61	1.74	1.88	1.95	1.95
January 2011		1.31	3.08	3.20	2.59	2.05	1.97	1.38
Repairs (%)								
January 2007		2.47	2.60	2.51	2.46	2.48	2.47	2.46
January 2011		1.89	2.24	2.42	2.60	2.78	2.65	2.51
Services (%)								
January 2007		1.88	2.11	2.03	2.07	2.02	1.91	1.76
January 2011		3.14	1.47	2.36	2.54	2.37	2.56	2.20
Taxes (%)								
January 2007		2.08	2.65	1.44	1.74	1.93	1.93	1.99
January 2011		12.61	2.28	3.89	3.90	4.57	3.89	2.83
PPI Items (%)								
January 2007		0.81	1.08	0.74	0.79	1.05	1.19	1.06
January 2011		2.75	5.66	2.24	2.07	1.87	2.25	1.77
PPI Total (%)								
January 2007		1.15	1.37	1.06	1.10	1.31	1.43	1.27
January 2011		2.73	5.05	2.45	2.60	2.17	2.66	1.94
Annual Change in Consumer Price Index (%)								
January 2007		1.76	1.84	1.94	1.95	1.88	1.88	2.03
January 2011		1.65	1.55	1.88	2.01	2.22	2.23	2.13
Annual Rate of Change for U.S. Land Prices (%)								
January 2007		3.36	2.96	3.05	2.87	3.07	3.11	2.85
January 2011		1.42	6.48	6.59	5.44	2.11	2.88	0.87

Source: Food and Agricultural Policy Research Institute (FAPRI) at the University of Missouri-Columbia and Iowa State University.

Table 3. Cost of Feed and Total Costs for Beef Cattle Ranches and Dairy Farms, Assuming the January 2007 and January 2011 FAPRI Baseline Prices.

	2011		2012		2013		2014		2015		2016	
	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11
Beef Cattle Ranches												
Cost of Feed and Crop Production												
	\$/Cow											
NVB700	69.90	75.67	69.81	77.54	70.00	78.98	70.32	79.89	70.69	81.34	71.17	82.49
WYB435	59.85	64.67	60.21	66.86	60.67	68.43	61.24	69.64	61.96	71.19	62.66	72.40
SDB375	52.65	53.29	53.24	55.77	53.96	57.19	54.78	58.30	55.70	59.67	56.65	60.77
MOCB400	153.88	159.71	154.48	167.16	155.91	170.63	157.81	172.29	159.93	174.90	162.02	176.87
TXRP500	128.67	157.46	129.28	155.67	129.61	157.98	129.95	160.11	130.49	162.95	130.97	165.31
FLB1155	105.73	110.44	105.33	117.30	105.83	121.17	106.68	123.14	107.73	125.93	108.78	128.24
Total Costs per Head												
	\$/Cow											
NVB700	530.18	558.21	542.35	575.14	554.91	588.93	559.59	600.98	572.76	611.93	584.10	620.40
WYB435	619.51	648.43	653.31	692.15	676.91	719.06	691.48	738.15	719.83	769.13	740.86	790.55
SDB375	509.67	537.22	529.37	564.33	540.82	577.37	550.93	584.18	565.00	596.67	577.63	605.71
MOCB400	577.28	591.99	593.60	614.54	607.59	627.44	623.28	638.13	638.10	648.11	650.42	653.19
TXRP500	731.16	789.24	733.65	793.13	738.95	801.18	742.24	803.11	748.39	808.09	753.63	811.07
FLB1155	443.60	465.72	447.27	478.11	451.81	484.03	455.80	484.32	460.94	495.12	467.92	508.90
Dairy Farms												
Cost of Feed and Crop Production												
	\$/cwt of Milk											
CAD1710	6.54	8.81	6.46	8.44	6.36	8.41	6.26	8.41	6.17	8.44	6.09	8.45
TXND3000	7.66	9.89	7.58	9.46	7.46	9.38	7.35	9.37	7.25	9.40	7.16	9.42
WID145	3.42	4.27	3.39	4.21	3.35	4.20	3.31	4.19	3.27	4.19	3.24	4.19
WID1000	5.14	7.05	5.08	6.77	5.00	6.75	4.91	6.73	4.84	6.74	4.76	6.75
VTD400	4.96	6.87	4.92	6.61	4.85	6.60	4.78	6.59	4.71	6.61	4.65	6.64
FLND550	6.11	9.15	6.03	8.68	5.93	8.67	5.81	8.66	5.71	8.68	5.61	8.70
Total Costs												
	\$/cwt of Milk											
CAD1710	13.37	15.92	13.31	15.60	13.23	15.64	13.15	15.65	13.08	15.71	13.01	15.70
TXND3000	13.77	16.47	13.69	16.16	13.59	16.20	13.48	16.26	13.40	16.38	13.32	16.45
WID145	14.66	15.94	14.56	15.83	14.48	15.81	14.40	15.79	14.33	15.84	14.22	15.77
WID1000	16.45	18.70	16.40	18.49	16.32	18.50	16.25	18.44	16.17	18.47	16.10	18.42
VTD400	16.97	19.26	17.01	19.16	17.02	19.33	17.04	19.41	17.10	19.61	17.15	19.71
FLND550	14.54	18.20	14.37	17.74	14.19	17.73	14.00	17.75	13.89	17.82	13.79	17.87

Table 4. Average Annual Receipts, Expenses, Net Cash Income, Ending Cash Reserves, and Return to Equity for Selected Beef Cattle Ranches, 2011-2016 for the January 2007 and January 2011 FAPRI Baseline.

	NVB700		WYB435		SDB375		MOCB400		TXRB500		FLB1155	
	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11
Total Cash Receipts (\$1000)												
2011	347	443	225	292	185	245	218	283	396	472	549	693
2012	362	486	237	322	194	270	227	308	398	488	571	754
2013	373	492	244	326	201	275	235	314	401	488	586	763
2014	383	498	250	328	206	277	242	318	403	489	601	771
2015	402	497	264	330	218	277	255	318	414	490	629	770
2016	400	479	263	318	218	267	254	307	409	476	625	743
2011-2016 Average	378	482	247	319	204	268	238	308	404	484	593	749
Total Cash Costs (\$1000)												
2011	330	350	238	251	161	172	206	212	326	354	472	498
2012	338	362	252	270	167	181	212	221	327	358	476	512
2013	346	370	262	280	171	186	218	227	329	360	480	517
2014	348	371	268	285	174	188	224	231	330	360	485	521
2015	357	380	280	298	179	192	229	234	334	364	491	530
2016	363	383	288	306	184	196	234	237	334	362	497	543
2011-2016 Average	347	369	265	282	173	186	221	227	330	360	484	520
Net Cash Farm Income (\$1000)												
2011	17	94	-13	41	24	74	13	71	70	118	77	195
2012	24	124	-16	52	27	89	15	87	71	130	95	242
2013	27	122	-18	45	30	89	17	88	72	128	106	246
2014	35	126	-18	42	32	89	17	87	74	129	116	251
2015	45	117	-16	32	39	85	25	84	81	126	138	240
2016	37	96	-25	12	34	70	19	70	75	114	128	199
2011-2016 Average	31	113	-17	37	31	83	18	81	74	124	110	229

Table 5. Average Annual Receipts, Expenses, Net Cash Income, Ending Cash Reserves, and Return to Equity for Selected Dairy Farms, 2011-2016, 2011-2016 for the January 2007 and January 2011 FAPRI Baseline.

	CAD1710		TXND3000		WID145		WID1000		VTD400		FLND550	
	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11	Jan 07	Jan 11
Total Cash Receipts (\$1000)												
2011	5,785	7,204	9,949	12,495	636	764	4,378	5,184	1,602	1,985	1,873	2,377
2012	5,944	7,638	10,143	13,130	668	825	4,600	5,613	1,644	2,100	1,911	2,476
2013	5,995	7,810	10,339	13,516	673	836	4,645	5,711	1,665	2,135	1,948	2,533
2014	6,160	8,078	10,672	14,026	701	875	4,844	5,992	1,697	2,196	2,005	2,630
2015	6,301	8,369	10,861	14,451	719	909	4,957	6,212	1,725	2,252	2,045	2,701
2016	6,412	8,517	11,088	14,731	717	907	4,965	6,228	1,754	2,272	2,081	2,735
2011-2016 Average	6,099	7,936	10,509	13,725	686	853	4,731	5,823	1,681	2,157	1,977	2,576
Total Cash Costs (\$1000)												
2011	5,500	6,556	9,091	10,895	518	564	4,354	4,944	1,628	1,850	1,517	1,907
2012	5,581	6,575	9,216	10,928	526	575	4,444	5,024	1,667	1,886	1,538	1,912
2013	5,613	6,661	9,261	11,087	531	584	4,481	5,090	1,686	1,920	1,532	1,927
2014	5,650	6,746	9,283	11,235	538	594	4,536	5,170	1,714	1,958	1,535	1,955
2015	5,782	7,001	9,533	11,733	546	606	4,615	5,315	1,756	2,030	1,565	2,029
2016	5,759	6,977	9,461	11,713	548	609	4,621	5,318	1,773	2,046	1,551	2,021
2011-2016 Average	5,647	6,753	9,307	11,265	535	589	4,509	5,144	1,704	1,948	1,540	1,958
Net Cash Farm Income (\$1000)												
2011	285	648	858	1,600	118	200	24	240	-26	134	355	470
2012	364	1,063	927	2,202	142	250	156	588	-22	214	374	564
2013	381	1,149	1,078	2,429	142	251	164	620	-21	214	416	607
2014	510	1,332	1,389	2,791	162	281	308	822	-17	238	470	676
2015	520	1,368	1,329	2,718	173	303	342	897	-32	223	480	672
2016	653	1,541	1,626	3,018	170	298	344	910	-20	226	530	715
2011-2016 Average	452	1,184	1,201	2,460	151	264	223	680	-23	208	438	617

Figure 1. Representative Beef Cattle Ranches and Dairy Farms

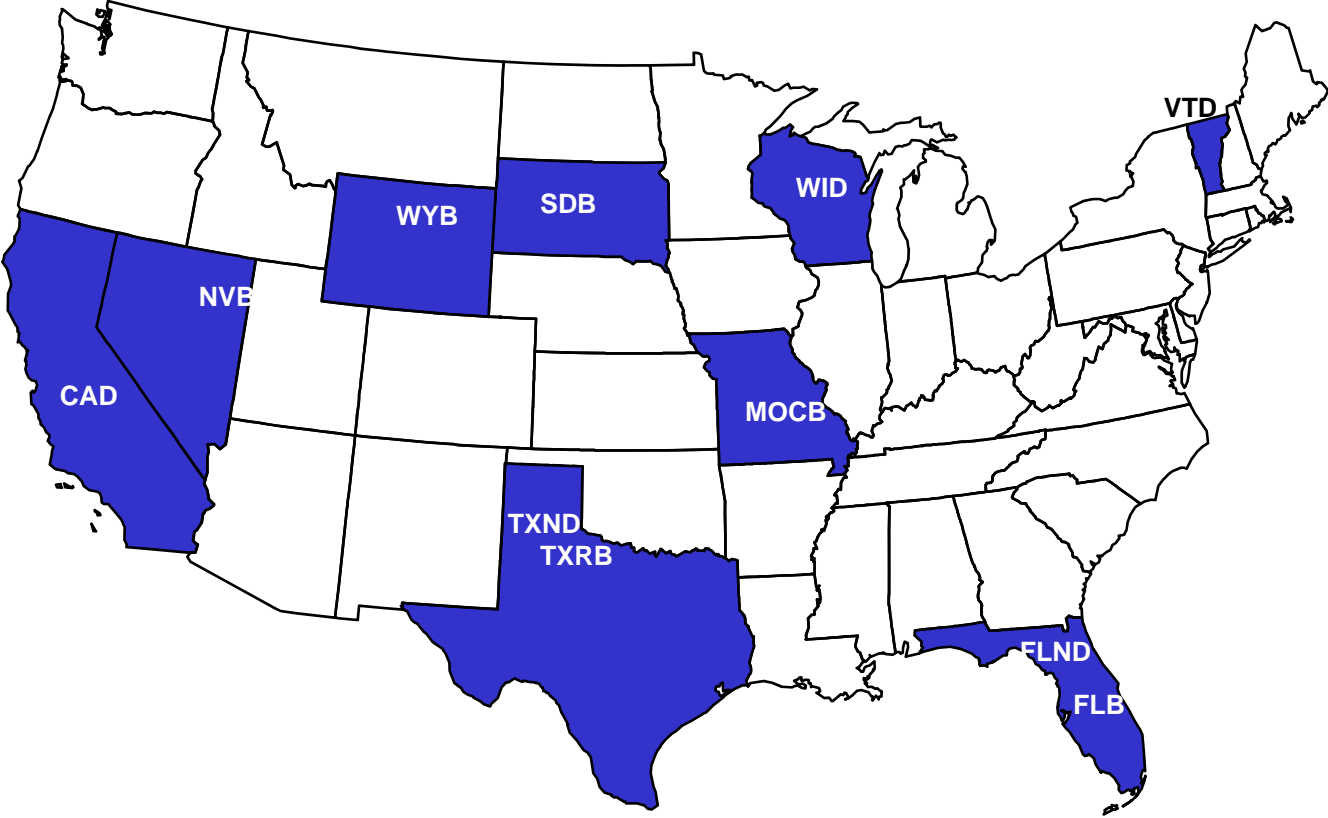


Figure 2. Comparison of January 2007 Baseline to the January 2011 Baseline for selected Beef Cattle Ranches, 2011-2016.

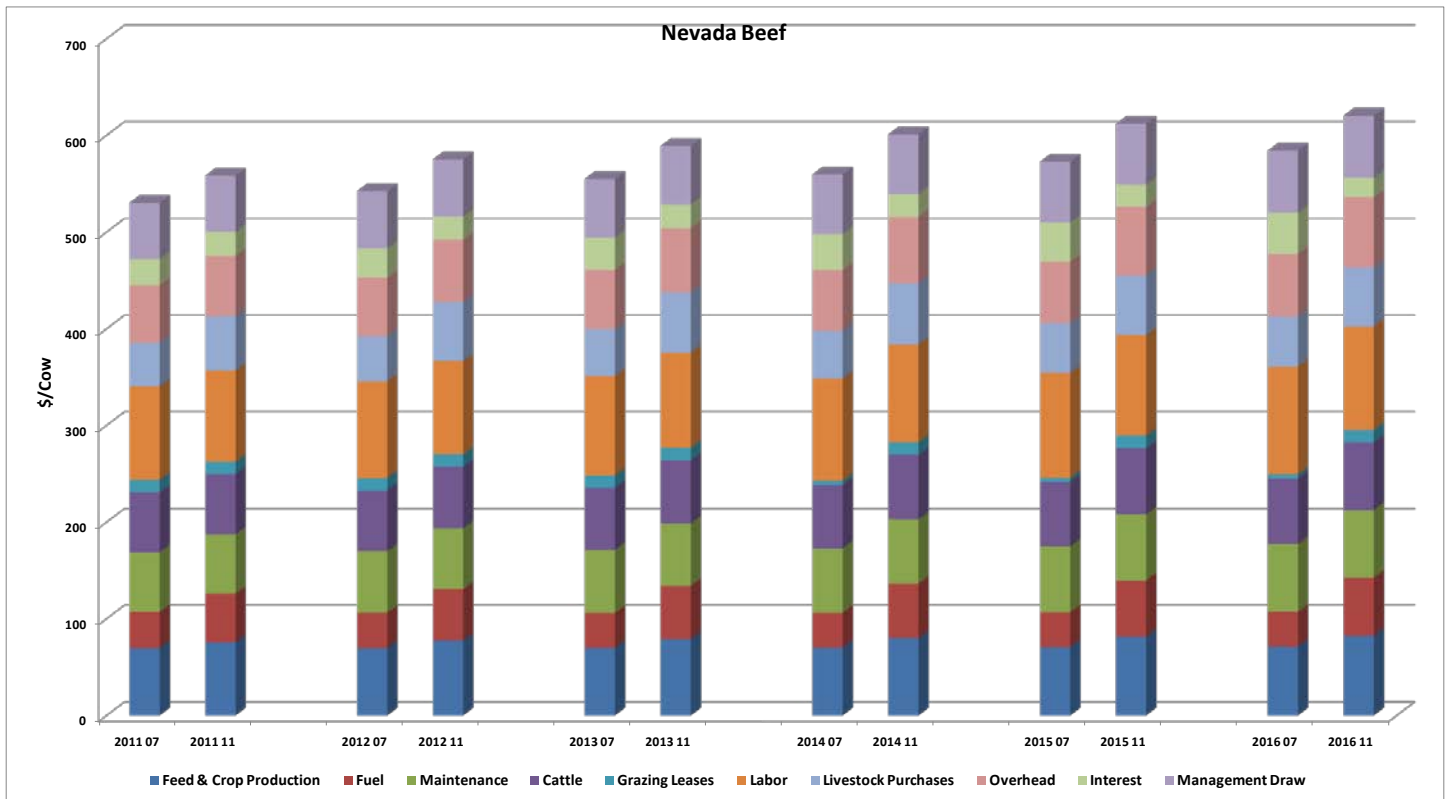
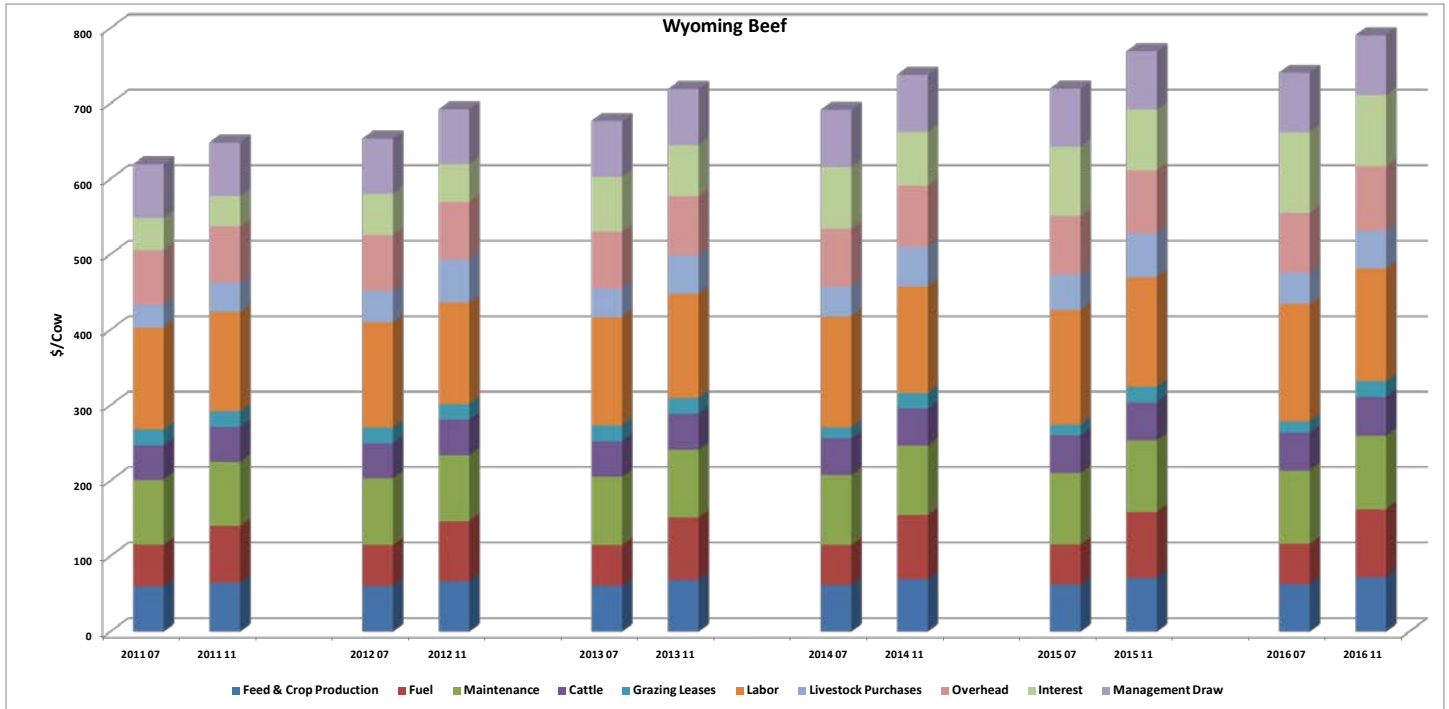


Figure 3. Comparison of January 2007 Baseline to the January 2011 Baseline for selected Beef Cattle Ranches, 2011-2016.

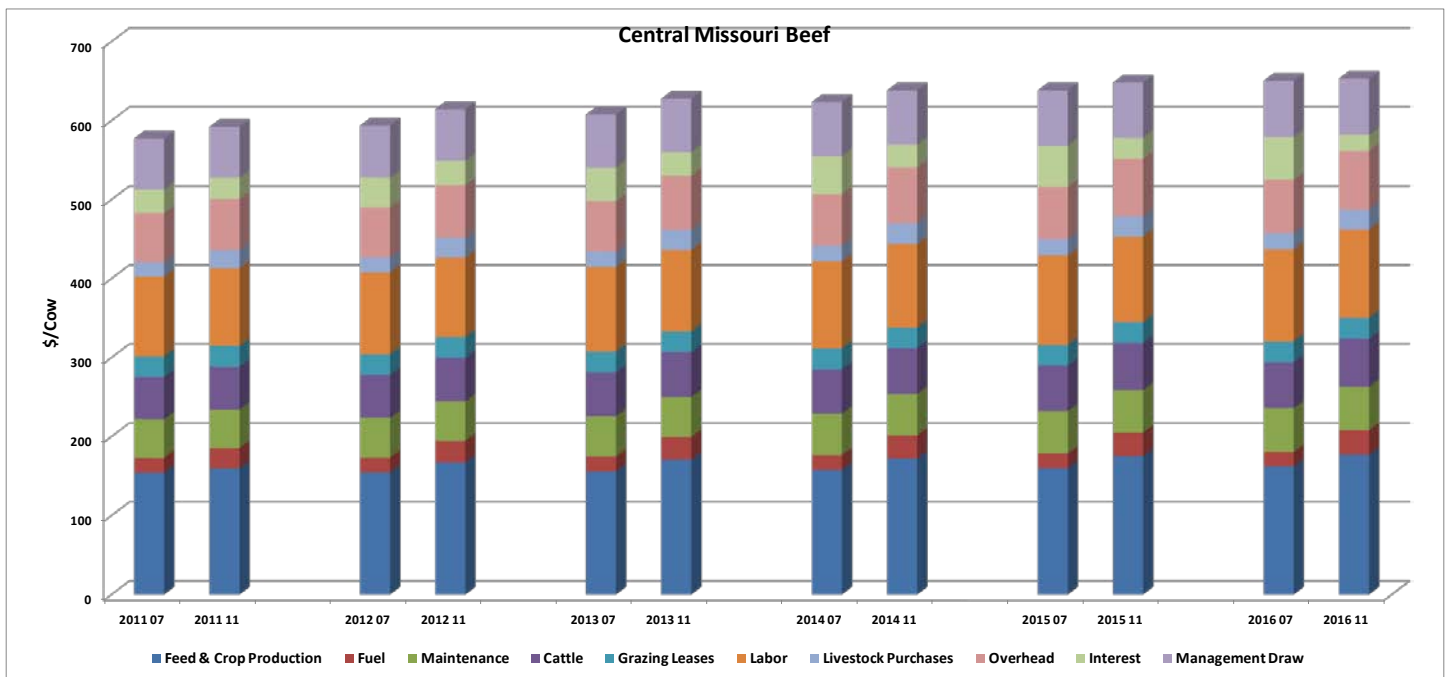
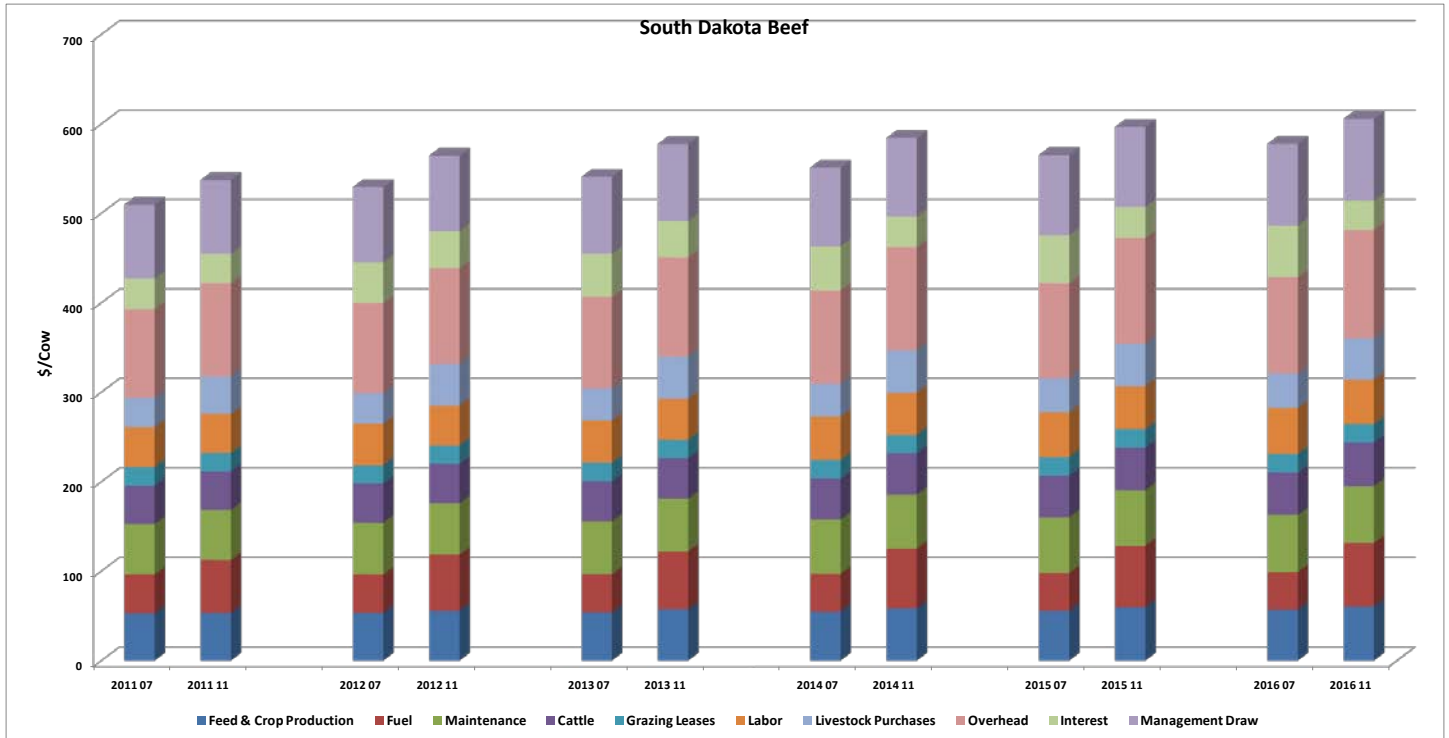


Figure 4. Comparison of January 2007 Baseline to the January 2011 Baseline for selected Beef Cattle Ranches, 2011-2016.

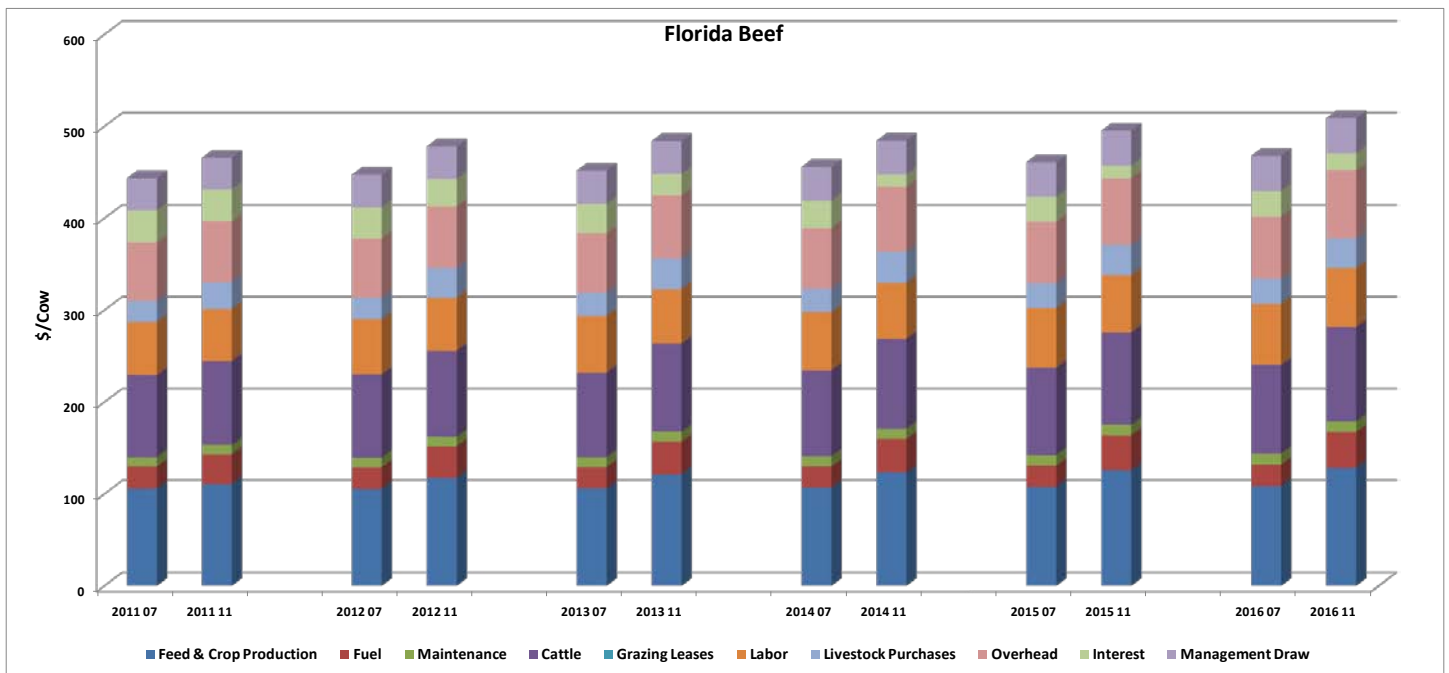
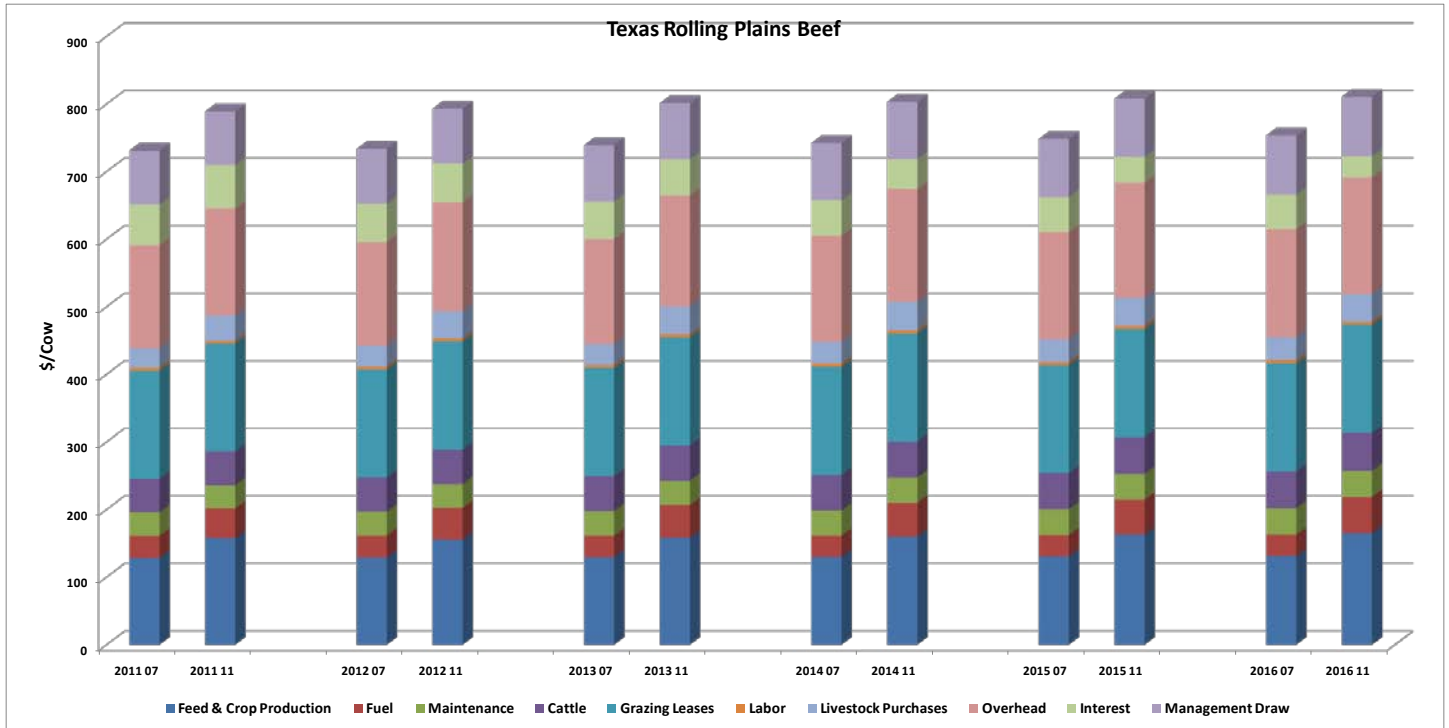


Figure 5. Comparison of January 2007 Baseline to the January 2011 Baseline for selected Dairy Farms, 2011-2016.

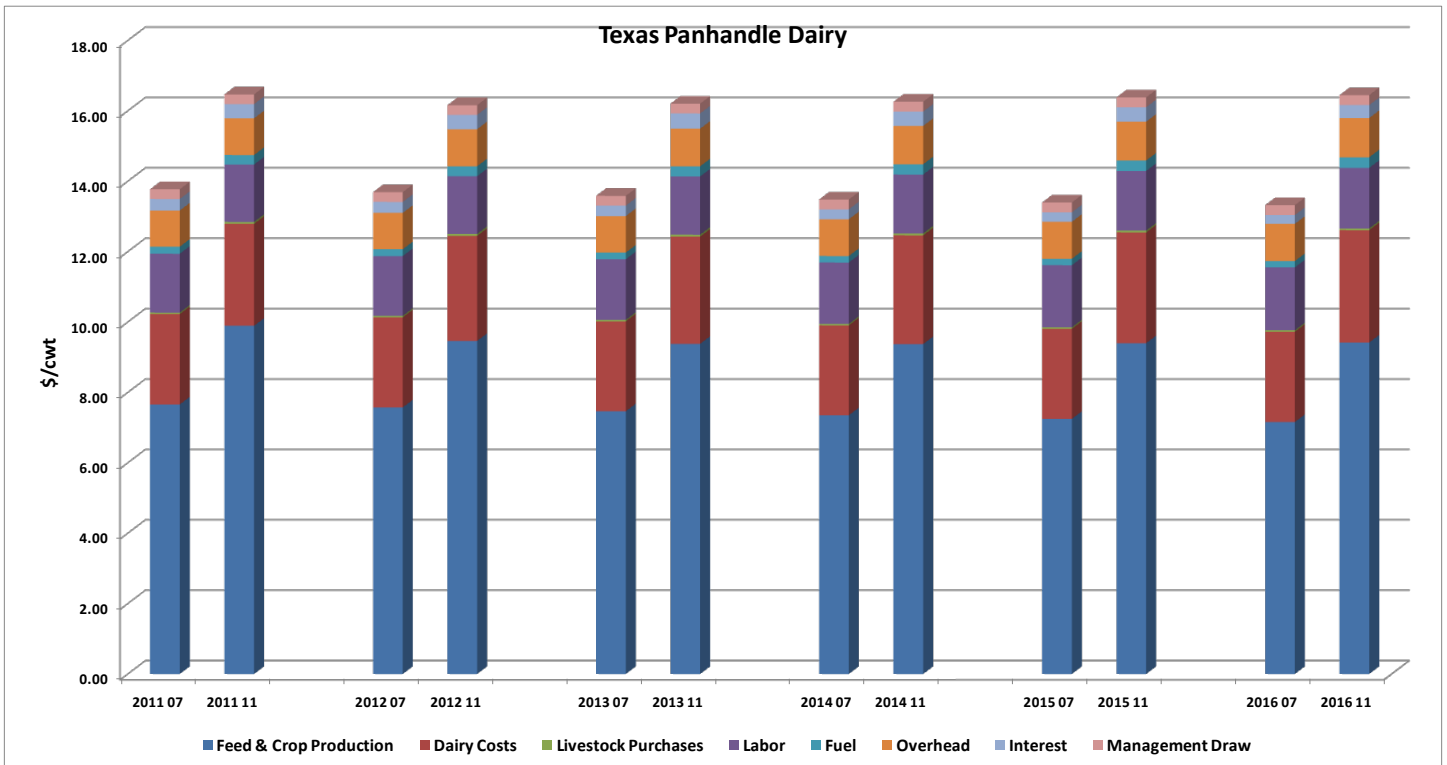
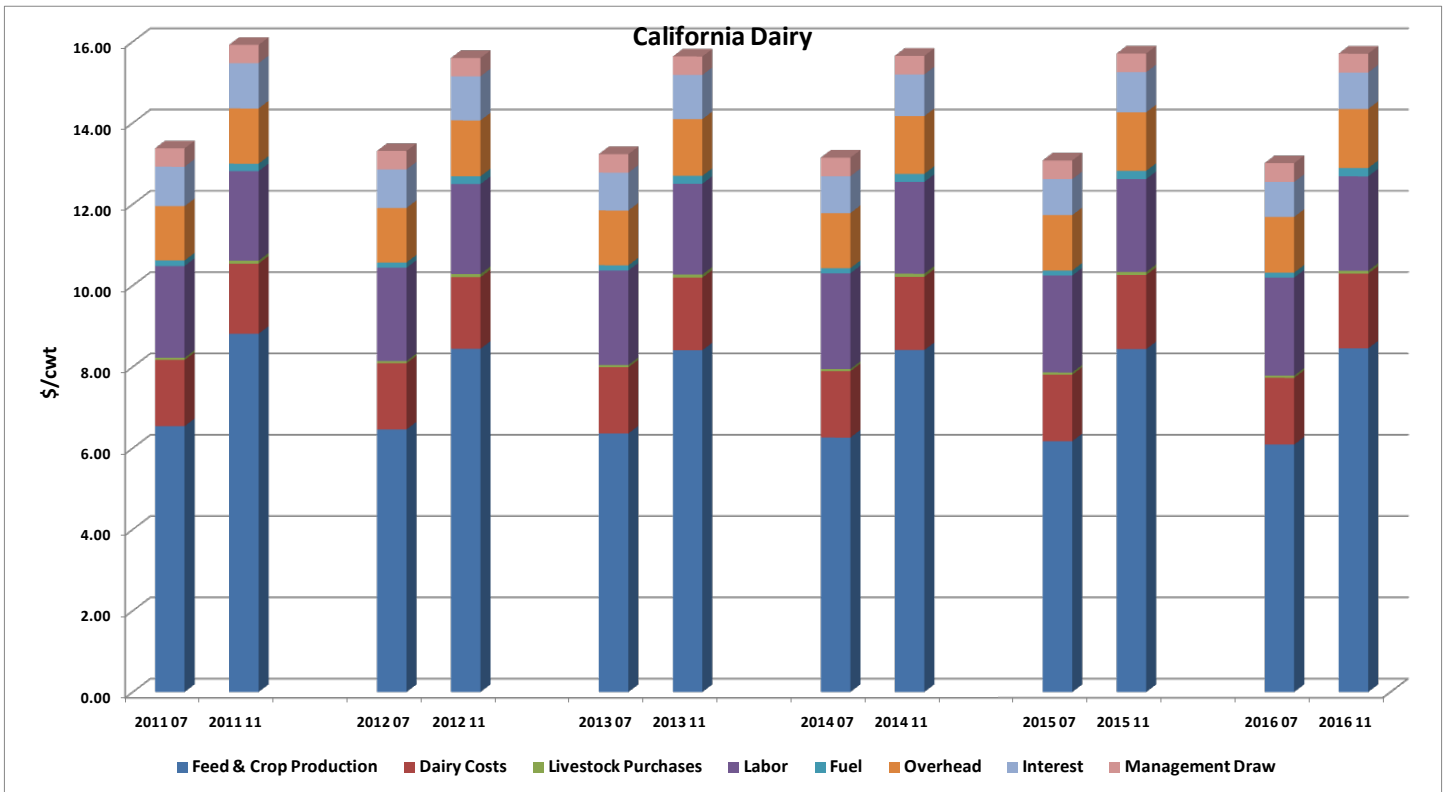


Figure 6. Comparison of January 2007 Baseline to the January 2011 Baseline for selected Dairy Farms, 2011-2016.

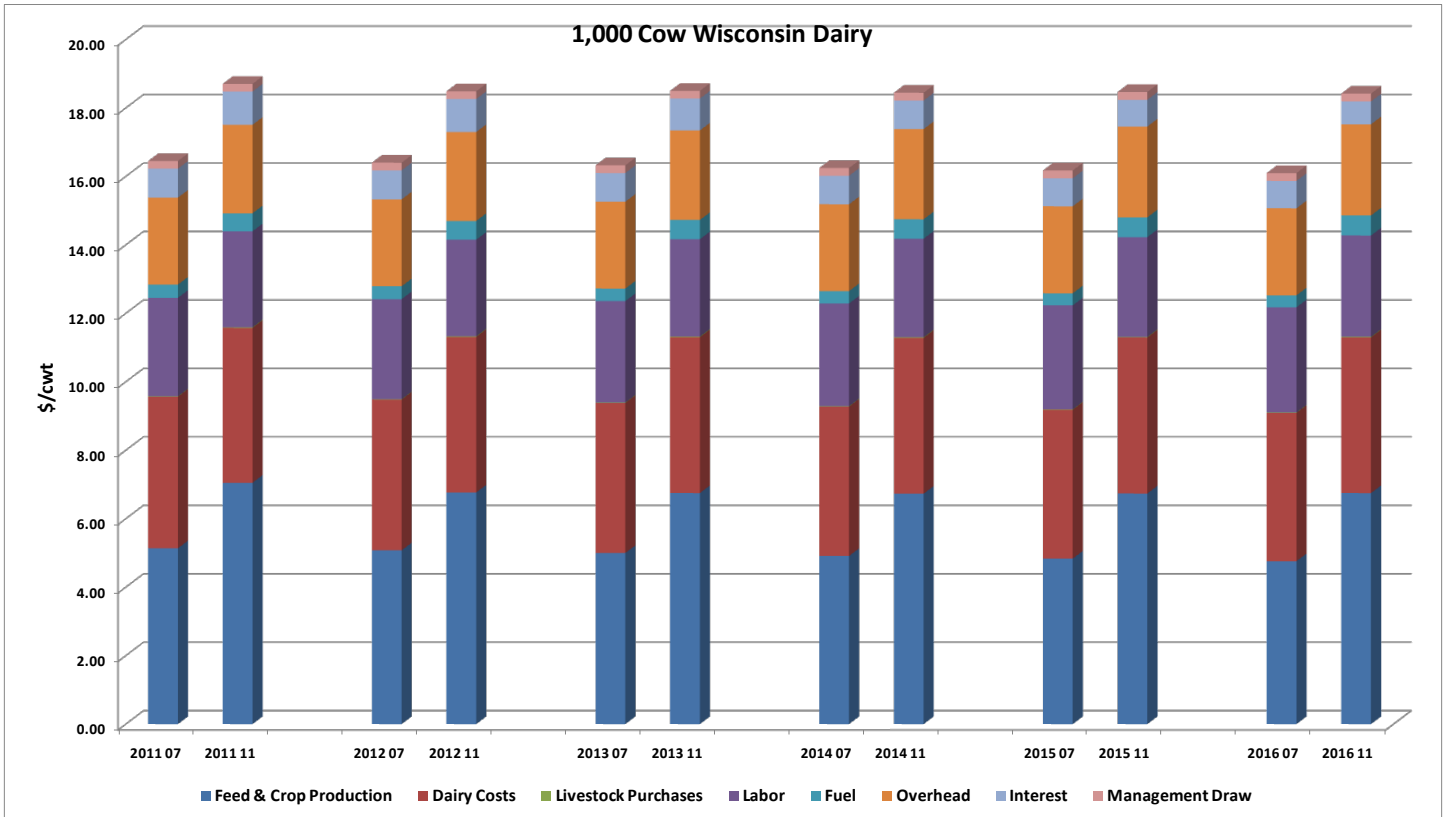
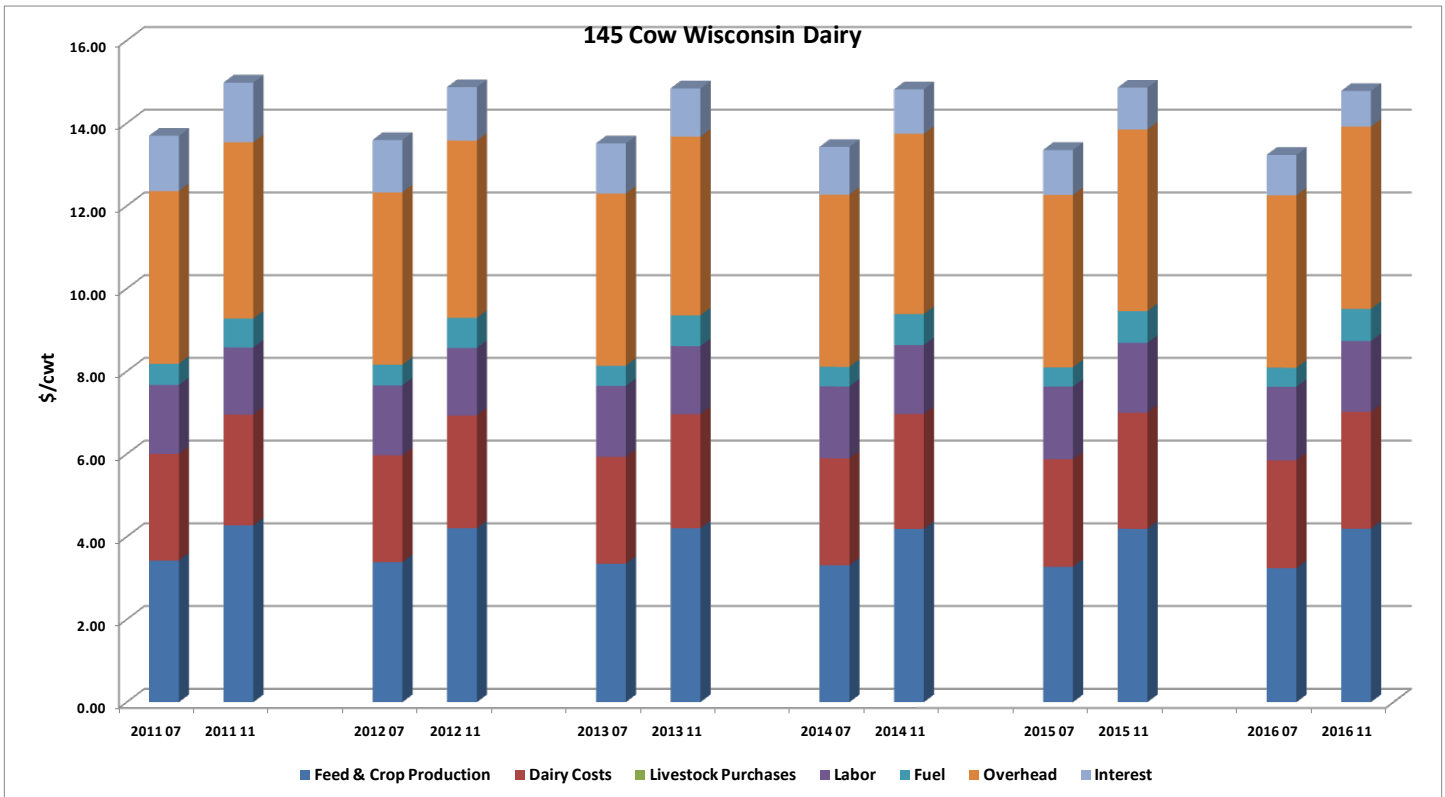
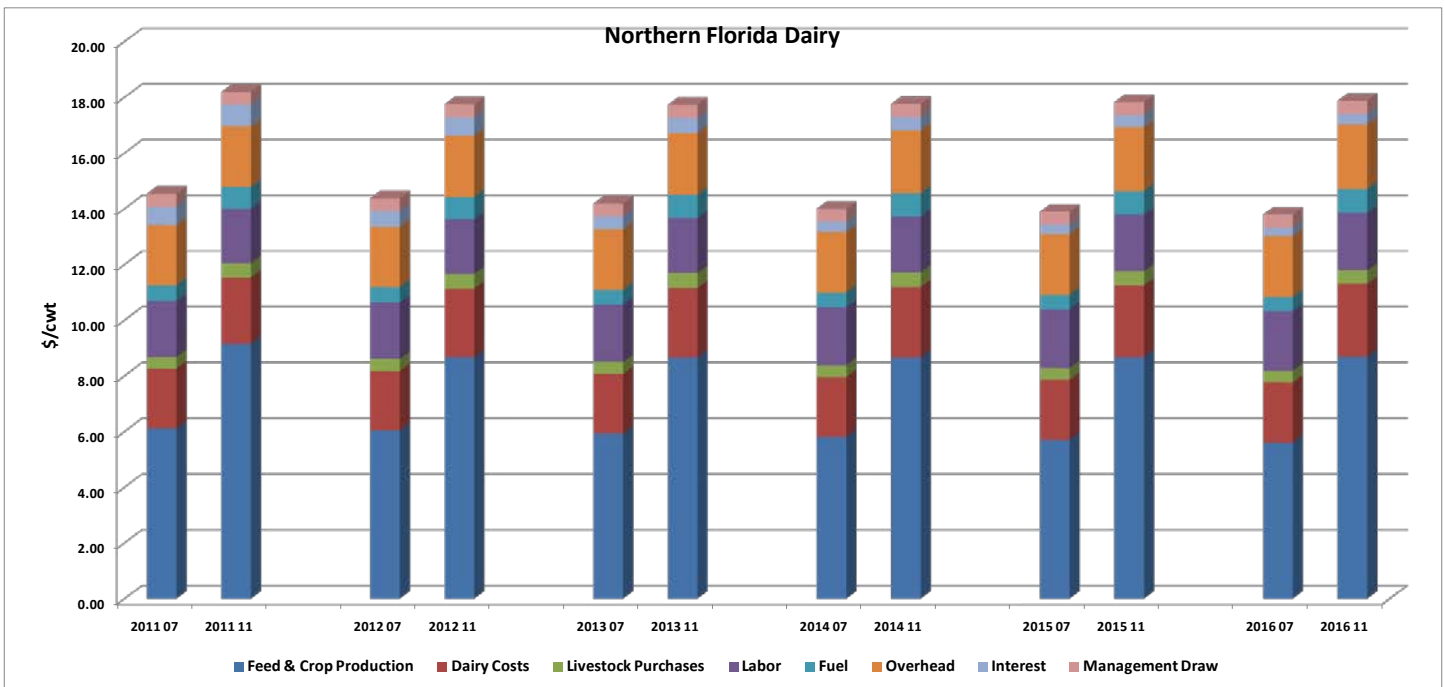
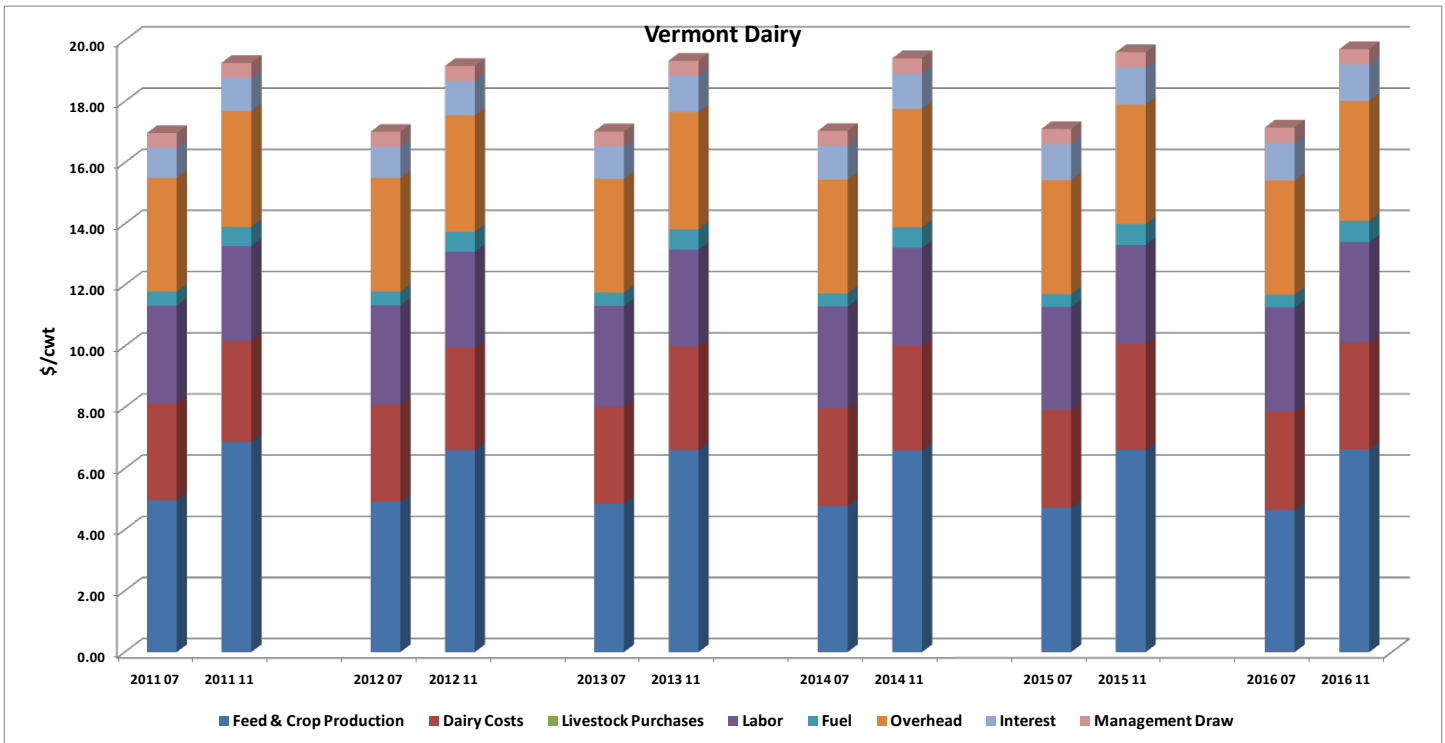


Figure 7. Comparison of January 2007 Baseline to the January 2011 Baseline for selected Dairy Farms, 2011-2016.



Appendix Table A1. Characteristics of Panel Farms Producing Beef Cattle.

	NVB700	WYB435	SDB375	MOCB400	TXRB500	FLB1155
County	Elko	Washakie	Meade	Dent	King	Osceola
Total Cropland	1,300.00	330.00	1,150.00	40.00	0.00	5,400.00
Acres Owned	1,300.00	330.00	1,150.00	40.00	0.00	5,400.00
Acres Leased	0.00	0.00	0.00	0.00	0.00	0.00
Pastureland						
Acres Owned	8,725.00	1,000.00	6,700.00	1,020.00	10,000.00	0.00
Acres Leased	0.00	0.00	700.00	500.00	10,000.00	0.00
Federal AUMs Leas	4,450.00	2,000.00	0.00	0.00	0.00	0.00
State/Private AUM	1,000.00	700.00	0.00	0.00	0.00	0.00
Assets (\$1000)						
Total	5,268.00	3,617.00	5,291.00	4,114.00	6,766.00	17,344.00
Real Estate	4,182.00	2,606.00	4,529.00	2,053.00	5,919.00	15,941.00
Machinery	270.00	304.00	210.00	170.00	57.00	205.00
Other & Livestock	816.00	708.00	552.00	1,891.00	790.00	1,198.00
Debt/Asset Ratios						
Total	0.02	0.05	0.02	0.01	0.01	0.01
Intermediate	0.05	0.07	0.06	0.07	0.02	0.04
Long Run	0.01	0.01	0.01	0.00	0.01	0.01
Number of Livestock						
Beef Cows	700.00	435.00	375.00	400.00	500.00	1,155.00
2010 Gross Receipts (\$1,000)*						
Total	426.60	281.00	233.90	271.50	438.70	665.90
Cattle	426.60	262.50	233.90	257.20	358.70	571.90
Hay	0.00	13.50	0.00	10.00	0.00	0.00
Other Receipts	0.00	0.05	0.00	0.04	0.00	0.00
2010 Planted Acres**						
Total	975.00	305.00	1,150.00	1,560.00	0.00	3,560.00
Hay	975.00	305.00	1,150.00	410.00	0.00	3,560.00
Improved Pasture	0.00	0.00	0.00	1,150.00	0.00	0.00

*Receipts for 2010 are included to indicate the relative importance of each enterprise to the farm. Percents indicate the percentage of the total receipts accounted for by the livestock categories and the crops.

**Acres for 2010 are included to indicate the relative importance of each enterprise to the farm. Total planted acreage may exceed total cropland available due to double cropping. Percents indicate the percentage of total planted acreage accounted for by the crop.

Appendix Table A2. Characteristics of Panel Farms Producing Milk.

	CAD1710	TXND3000	WID145	WID1000	VTD400	FLND550
County	Tulare	Bailey	Winnebago	Winnebago	Washington	Lafayette
Total Cropland	700.00	520.00	600.00	2,000.00	1,000.00	600.00
Acres Owned	700.00	520.00	330.00	800.00	525.00	450.00
Acres Leased	0.00	0.00	270.00	1,200.00	475.00	150.00
Pastureland						
Acres Owned	0.00	0.00	40.00	0.00	50.00	60.00
Acres Leased	0.00	0.00	0.00	0.00	50.00	0.00
Assets (\$1000)						
Total	20,716.00	15,506.00	2,651.00	7,763.00	4,375.00	4,057.00
Real Estate	14,493.00	8,439.00	1,754.00	4,461.00	2,922.00	2,394.00
Machinery	726.00	1,023.00	457.00	793.00	495.00	355.00
Other & Livestock	5,497.00	6,045.00	440.00	2,510.00	957.00	1,309.00
Debt/Asset Ratios						
Total	0.34	0.36	0.29	0.42	0.40	0.28
Intermediate	0.11	0.21	0.26	0.13	0.13	0.17
Long Run	0.25	0.27	0.26	0.27	0.27	0.24
Number of Livestock						
Dairy Cows	1,710.00	3,000.00	145.00	1,000.00	400.00	550.00
Cwt Milk/Cow	244.00	222.00	256.00	265.00	244.00	194.00
2010 Gross Receipts (\$1,000)*						
Total	6,574.30	11,530.30	729.40	4,882.90	1,830.90	2,211.30
Milk	6,135.70	10,787.50	630.50	4,496.40	1,696.10	2,055.10
Dairy Cattle	435.00	739.20	47.90	287.00	131.20	152.60
Corn	0.00	0.00	0.00	0.06	0.07	0.07
Soybeans	0.00	0.00	0.00	0.00	0.00	0.00
2010 Planted Acres**						
Total	1,200.00	600.00	600.00	2,000.00	950.00	130.00
Hay	200.00	0.00	90.00	600.00	100.00	130.00
Silage	1,000.00	600.00	180.00	600.00	850.00	0.00
Corn	0.00	0.00	150.00	600.00	0.00	0.00
Soybeans	0.00	0.00	0.25	0.30	0.00	0.00

*Receipts for 2010 are included to indicate the relative importance of each enterprise to the farm. Percents indicate the percentage of the total receipts accounted for by the livestock categories and the crops.

**Acres for 2010 are included to indicate the relative importance of each enterprise to the farm. Total planted acreage may exceed total cropland available due to double cropping. Percents indicate the percentage of total planted acreage accounted for by the crop.