



2002 FARROW-TO-FINISH HOG PRODUCTION BUDGET ¹

High Investment Farrow 8 times per year Sow and 2 Litters

ITEM	QUANTITY/UNIT	PRICE PER UNIT	AMOUNT	YOUR BUDGET
RECEIPTS ²				
Market Hogs ³	3,360 lb	\$0.40 /lb	\$1,344	_____
Sows	213 lb	0.30 /lb	64	_____
Non-Breeders	38 lb	0.33 /lb	13	_____
Boars	14 lb	0.15 /lb	2	_____
TOTAL RECEIPTS			1423	_____
VARIABLE COSTS				
Feed ⁴				
Corn	180 bu	2.30 /bu	414	_____
Supplement	2,520 lb	0.12 /lb	302	_____
Other Feed Item(s)				_____
TOTAL FEED COSTS			716	_____
Vet and Med.			24	_____
Boar Purchase	0.033 boar	400 /boar	13	_____
Marketing ⁵			37	_____
Power and Fuel			58	_____
Miscellaneous			11	_____
Int. on Operating Cap. ⁶	\$206 12 mo	9%	19	_____
TOTAL VARIABLE COSTS			878	_____
FIXED COSTS				
Interest on Sows ⁷	\$200	9%	18	_____
Labor Charge	16 hours	8.00 /hr	128	_____
Equipment Charge ⁸	\$590	17.6%	104	_____
Buildings Charge ⁸	\$2,560	14.7%	376	_____
Management Charge	5% of gross revenue		71	_____
TOTAL FIXED COSTS			697	_____
TOTAL COSTS			1575	_____
Market Hogs @				
		\$35	\$40	\$45
RETURN ABOVE VARIABLE COSTS ⁹		367	545	722
RETURN ABOVE TOTAL COSTS ⁹		(322)	(153)	16

¹. Budget for a sow farrowing twice a year using gestation, 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 15 pig per sow average - 0.50 pig saved as replacements and 0.50 pig lost during finishing.
⁴. Feed conversion (entire herd) = 370 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. Estimated new cost of equipment and buildings per sow and 2 litters assuming sows are farrowed 8 times per year.
⁹. All costs except management held constant and total receipts change same percentage as price.