

MEREDITH LANDOWNERS COALITION

STOCKER CATTLE OPERATION (buy weaned calves in early May; sell them at auction in early Nov.)			
Number of head	100		
Days on feed	180		
Acres per head	1		
Labor (hrs/day)	1.75		
Labor rate (\$/hr)	12		
Avg. Purchase weight	500		
Avg. Weight gain/day	1.65		
Avg. Weight gain	297		
Avg. Sale weight	797	\$ Per Head	\$ Per Load
Stocker Price (\$/hw) *	100	500	50,000
Procurement		4	400
Vet/medicine/fly/lice		12	1,200
Salt/min/etc (30 lbs)		5	500
Equipment		2	200
Fuel		3	300
Pasture lease per acre	10	10	1,000
Insurance (\$/hw)	1	5	500
Market/Haul to auction		15	1,500
Misc.		5	500
TOTAL Production Cost		561	56,100
Death \$	2%	10	1,000
Interest on \$40,000 loan (repaid after 6 months)	8% per yr	16	1,600
TOTAL Investment Cost		587	58,700
Labor cost (total hrs x rate)	315	38	3,780
TOTAL COST		-625	-62,480
Sale Price (\$/hw) *	90	717	71,730
PROFIT (without labor)		92	9,250
TOTAL PROFIT (incl. labor)		\$130	\$13,030
RETURN ON INVESTMENT			22.20%

Spreadsheet variables are indicated in the shaded boxes.

* The purchase/sale price varies from year to year, according to market conditions, but generally reflects a 10% difference due to higher demand in the spring.

Note: In an alternate system – the “cow-calf” model – calves born each spring are sold the following year in the fall. This model is similar to the one above but more complex, since it means winter feeding and requires a herd of mature cows to begin the cycle.