

July 1957

A.E. 1066

Costs and Returns from The Sheep Enterprise 60 Central New York Farms, 1956

by

**Wendell Earle
John Rogalla**

Department of Agricultural Economics
New York State College of Agriculture
A Unit of the State University of New York
Cornell University, Ithaca, New York

Table of Contents

	<u>Page</u>
Introduction	1
Description of Farms Studied	1
Breed of Sheep	2
Size of the Sheep Enterprise	2
Feed Used.	3
Pasture Used	4
Labor Required	5
Management Practices	5
Grade, Weight, and Price of Lambs Sold	6
Wool Sales	8
Receipts and Expenses.	8
Investment in Buildings and Equipment.	8
Receipts and Expenses Per Farm	9
Receipts and Expenses from the Sheep Enterprise Per Ewe. . .	10
Profit Per Ewe and Receipts and Expenses	10
Summary.	12

Acknowledgments

The authors wish to express their appreciation for the help and co-operation of the farmers who provided them with the basic data for this study. Professor Warren Brannon assisted with the preparation of the questionnaire and the direction of the project. County Agricultural Agents in the participating counties helped in getting the field work started. Charles Arden, Department of Agricultural Economics, Professor Warren Brannon, Department of Animal Husbandry, and D. J. White, Assistant County Agricultural Agent, Schuyler County, did the field enumeration.

COSTS AND RETURNS FROM THE SHEEP ENTERPRISE
60 Central New York Farms, 1956

Wendell Earle and John Rogalla

Introduction

There were 168,000 head of sheep and lambs on New York farms at the end of 1956. This represented an 8 percent increase over the previous year and a somewhat larger increase over the 10-year average.

The sheep enterprise offers an opportunity for the efficient utilization of large amounts of roughage and pasture. It has low labor requirements. A minimum investment in buildings and equipment is required. The sheep enterprise, therefore, is often combined with many other New York farm enterprises.

There have been no recent data available on costs and returns for the sheep enterprise on New York farms. To obtain such information, as well as related factors describing some typical sheep enterprises, a survey of 60 farms with a sheep enterprise was made early in 1957. The survey covered a 12 month period ending December 31, 1956. Farms included in the survey were located in the Finger Lakes region and included the following counties: Tompkins, Schuyler, Yates, and Seneca. All flocks from which 20 or more lambs were sold to the Watkins Glen Lamb pool during 1956 were included in the survey.

Description of Farms Studied

The farms studied were relatively small in terms of crop acres, number of work units, or man equivalents, (table 1). The average farm was a little over a one-man business. The productive output as measured by the number of work units per man averaged 236. Little hired labor was used on these farms, regardless of their size.

Table 1
SIZE OF FARM BUSINESS
60 Central New York Farms, 1956

Measure of size	Large flocks	Medium flocks	Small flocks	All flocks
Number of farms	20	20	20	60
Number of ewes*	78	52	35	55
Total acres operated	259	206	116	193
Crop acres	156	118	59	113
Work units	426	344	222	331
Man equivalent	1.7	1.4	1.2	1.4
Hired man equivalent	.2	.1	---	.1
Work units per man	251	246	185	236

* Beginning number.

One of the noticeable features of the farms surveyed was the large amount of off-the-farm work which averaged 71 work units per farm, or the equivalent of about 3 months working time (table 2). In general, the farms were quite diversified. Dairy was the largest single enterprise, followed by sheep and grain crops. On farms with small flocks, work off the farm accounted for over 40 percent of the total work units, with sheep, dairy and poultry of about equal importance.

Table 2
DISTRIBUTION OF PRODUCTIVE WORK
60 Central New York Farms, 1956

Enterprise	Work Units Per Farm			
	Large flocks	Medium flocks	Small flocks	All flocks
Sheep	64	40	28	44
Dairy	151	96	27	91
Heifers and beef	21	19	7	16
Poultry	17	34	29	26
Other livestock	6	6	2	5
Grain crops	51	43	18	38
Forage crops	43	33	14	30
Other crops	19	7	5	10
Off farm work	<u>54</u>	<u>66</u>	<u>92</u>	<u>71</u>
Total	426	344	222	331

Breed of Sheep

Over 90 percent of the rams on these farms were purebred (table 3). Forty-three percent of the rams were Corriedale, and about 19 percent were Suffolk. The remainder of the rams were Shropshire, Hampshire, Dorset and Oxford. There was a noticeable tendency for Corriedales to be more popular in the larger size flocks.

Table 3
Breed of Rams
60 Central New York Farms, 1956

Breed	Number of Rams			
	Large flocks	Medium flocks	Small flocks	All flocks
Purebred				
Corriedale	29	12	5	46
Suffolk	5	8	8	21
Hampshire	5	2	2	9
Shropshire	3	4	4	11
Oxford	2	0	1	3
Dorset	1	6	1	8
Grade	<u>6</u>	<u>3</u>	<u>1</u>	<u>10</u>
Total	51	35	22	108

Size of the Sheep Enterprise

At the beginning of 1956 there was an average of 63 head of sheep on the farms studied (table 4). In addition, an average of 73 lambs per farm were born during the year. The small flocks averaged 39 head, the medium flocks 60 head, and the large flocks 91 head.

Table 4
 SIZE OF THE SHEEP FLOCK
 60 Central New York Farms, 1956

	Number Per Farm*			
	Large flocks	Medium flocks	Small flocks	All flocks
Ewes	78	52	35	55
Replacement ewes	10	6	3	6
Rams	<u>3</u>	<u>2</u>	<u>1</u>	<u>2</u>
Total	91	60	39	63
Lambs born during year	110	65	45	73

* Beginning number.

An average of 8 ewes per farm was sold or died during the year (table 5). If the flock size were to be maintained at 55 ewes, the replacement rate would have to be about 15 percent per year. Based on one year's operation, the farms with large flocks were keeping the ewes in the flock longer--8 years, compared to 5 years in the smaller flocks. The replacement rate was, therefore, lower for the farms with large flocks.

Table 5
 SHEEP REPLACEMENT RATES
 60 Central New York Farms, 1956

	Large flocks	Medium flocks	Small flocks	All flocks
Number of ewes:				
Sold	6	4	5	5
Died	<u>3</u>	<u>3</u>	<u>2</u>	<u>3</u>
Total	9	7	7	8
Per farm	78	52	35	55
Replacement rate (percent)	12	14	20	15
Number of years ewes stayed in flock	8	7	5	7

Feed Used

It required \$15.20 worth of feed per ewe during the year (table 6). Of this amount, nearly half was roughage. An additional \$4.39 was charged for the use of pasture. The remainder, \$3.43, was for concentrates. Over 90 percent of the feed was home-grown. The feed supply was made up of 143 pounds of concentrates, 720 pounds of roughage, and the use of a little less than 1 acre of pasture per ewe. The pasture acreage included fall grazing, wooded pasture, wheat stubble, and bean fields and is, therefore, higher than expected for summer pasture alone.

Feed costs per ewe were about \$4.00 lower on the farms with medium size flocks than for either large or small flocks. This difference resulted from a smaller amount of concentrate being fed, as well as a lower value charged for roughage and the use of pasture (table 7).

Table 6

FEED USED PER EWE*
60 Central New York Farms, 1956

Feed used		Large flocks	Medium flocks	Small flocks	All flocks
Amount					
Concentrates	Pounds	172	94	152	143
Roughage	Pounds	780	680	700	720
Pasture	Acres	.91	.77	1.07	.90
Value					
Concentrates		\$ 4.02	\$ 2.21	\$ 3.90	\$ 3.43
Roughage		7.81	6.76	7.36	7.38
Pasture		4.88	3.27	4.95	4.39
Total value of feed per ewe		\$16.71	\$12.24	\$16.21	\$15.20

* Includes feed used in creep.

Table 7

PRICE OF FEED PER UNIT
60 Central New York Farms, 1956

Feed	Unit	Large flocks	Medium flocks	Small flocks	All flocks
Concentrates	\$/cwt.	2.34	2.35	2.57	2.39
Roughage	\$/ton	20.27	19.63	20.96	20.24
Pasture	\$/acre	5.36	4.27	4.62	4.88

Watering facilities during the summer consisted mostly of streams or springs. During the winter about one-third of the farms still relied on streams or springs as a source of water. Another one-third had a water supply with automatic controls. A hand pump was used on 14 farms during the winter to maintain the water supply. Water had to be hauled to the sheep on two farms during the winter and on one farm during the summer. This necessarily increased the labor required for the sheep enterprise considerably.

Pasture Used

Forty-nine acres of pasture were used on the average, or about 0.9 of an acre per ewe (table 8). Each acre of pasture provided the equivalent of 345 ewe days of use. The cost of pasture per 100 days of use was \$1.42. Only about 30 percent of the pasture was improved. Improved pasture provided the equivalent of 443 days of use compared to 302 days for unimproved pasture.

The medium size flocks had the lowest cost for use of pasture, primarily because of a lower charge per acre and a greater use of the available pasture.

Table 8 PASTURE USED FOR THE SHEEP ENTERPRISE
60 Central New York Farms, 1956

	Large flocks	Medium flocks	Small flocks	All flocks
Acres of pasture				
Unimproved pasture	22	16	12	16
Improved pasture	21	11	12	15
Other pasture	<u>28</u>	<u>13</u>	<u>13</u>	<u>18</u>
Total	71	40	37	49
Charge per acre				
Unimproved pasture	\$ 3.41	\$ 4.00	\$ 1.75	\$ 3.31
Improved pasture	6.33	4.18	5.08	5.33
Other pasture	<u>6.21</u>	<u>4.54</u>	<u>6.85</u>	<u>5.94</u>
Average	\$ 5.38	\$ 4.22	\$ 4.62	\$ 4.90
Ewe day equivalent* pastured per acre				
Unimproved pasture	288	315	261	302
Improved pasture	464	631	272	443
Other pasture	<u>310</u>	<u>279</u>	<u>301</u>	<u>300</u>
Average	348	390	278	345
Charge per 100 ewe day equivalents				
Unimproved pasture	\$ 1.18	\$ 1.27	\$.67	\$ 1.09
Improved pasture	1.37	.66	1.87	1.20
Other pasture	<u>2.01</u>	<u>1.63</u>	<u>2.28</u>	<u>1.98</u>
Average	\$ 1.54	\$ 1.09	\$ 1.66	\$ 1.42

* A ewe day equivalent is one mature sheep pastured one day or one lamb pastured two days.

Labor Required

An average of 374 hours of labor was required per farm on the sheep enterprise (table 9). About three-fourths of this amount was used during the lambing season and for chores when the sheep were on pasture. The average amount of labor required per ewe was 6.8 hours, representing an annual cost of \$8.09. The larger flocks were more efficient in the use of labor, using 6.2 hours per ewe--an annual saving of \$2.18 labor cost per ewe, compared to the small farms.

Management Practices

Certain management practices commonly associated with good sheep husbandry were recorded for each farm. The feeding of phenothiazine in salt was the most common practice followed on the farms surveyed, with 83 percent of the producers using it as a means of controlling worms (table 10). Other practices, such as drenching and flushing, were followed to a lesser degree. Less than half of the farms creep fed their lambs, and only 35 percent of the large flocks followed this practice.

Table 9

LABOR USED ON THE SHEEP ENTERPRISE
60 Central New York Farms, 1956

Job	Hours Per Farm			
	Large flocks	Medium flocks	Small flocks	All flocks
Barn chores	57	43	38	46
Pasture chores	210	150	128	163
Lambing	142	97	78	106
Dipping and drenching	14	8	5	9
Fencing	43	30	22	32
Other	19	25	13	19
Total	486	354	282	374
Total labor cost	\$ 579	\$ 422	\$ 336	\$ 445
Hours per ewe	6.2	6.8	8.0	6.8
Labor cost per ewe	\$ 7.42	\$ 8.12	\$ 9.60	\$ 8.09

Table 10

MANAGEMENT PRACTICES
60 Central New York Farms, 1956

	Large flocks	Medium flocks	Small flocks	All flocks
Percent following practices:				
Creep feeding	35	60	45	47
Flushing	70	65	65	67
Drenching	60	70	45	58
Phenothiazine in salt	85	90	75	83
Other disease control	35	35	15	28
Conservation of ram	5	5	10	7
Painting ram	10	20	25	18
Season in days of:				
Pasture	186	193	201	193
Breeding	157	177	201	178
Lambing	73	72	67	70

Little attempt was made to establish a controlled breeding season, other than the time when the ram was turned in with the ewes. A reflection of this practice is indicated in the 178-day breeding season, which meant that many of the producers were allowing the ram to run with the flock during most of the year. A lambing season in excess of two months resulted from this practice.

Grade, Weight, and Price of Lambs Sold

An average of 63 lambs per farm was born during the year, representing a 133 percent lamb crop (table 11). Farms with larger flocks had the best lamb crop, averaging 140 percent. Mortality among the lambs averaged 13 percent, with a somewhat higher loss encountered in the small flocks.

Table 11 GRADE, WEIGHT, AND PRICE OF LAMBS SOLD
60 Central New York Farms, 1956

	Large flocks	Medium flocks	Small flocks	All flocks
Number of lambs born	110	65	45	73
Percent lamb crop	140	123	131	133
Percent mortality	12	14	16	13
Grade (percent of lamb)				
Prime	3.5	5.3	4.8	4.3
Choice	27.8	24.9	30.9	27.5
Good	37.8	38.3	36.6	37.7
Utility	18.8	19.8	16.2	18.6
Feeders	7.2	7.4	5.9	7.0
Other	4.9	4.3	5.6	4.9
Average weight (pounds)				
Prime	96	92	87	92
Choice	90	88	89	89
Good	81	83	85	83
Utility	76	77	79	77
Feeders	67	65	69	67
Other	-	-	-	-
Average price per cwt.				
Prime	\$ 22.72	\$ 24.75	\$ 23.90	\$ 23.74
Choice	21.32	22.53	22.06	21.82
Good	19.93	20.40	19.23	19.93
Utility	17.95	18.22	17.71	17.99
Feeders	16.24	16.48	16.31	16.33
Other (price per head)	14.34	10.98	17.94	14.27
Average returns				
Per lamb	\$ 16.98	\$ 17.28	\$ 17.79	\$ 17.24
Per ewe	16.72	16.19	16.53	16.52

Since the farms surveyed were selected from producers shipping to the Watkins Glen lamb pool, grading information was available on practically all of the lambs sold. Each lamb sold at the Watkins Glen lamb pool is graded upon arrival, and the producer is paid according to the grade and weight at the time of shipment.

Prime and choice lambs accounted for about one-third of all lambs sold. About 38 percent of the lambs fell in the good grade, and the balance were utility, feeder, or other grades. There was no appreciable difference in the grades of lambs sold, based on size of flock.

The average weight of lambs sold ranged from a high of 92 pounds for prime lambs to a low of 67 pounds for feeder lambs. As might be expected, lighter-weight, lower-grade lambs sold for considerably less per hundred-weight--\$16.33 per hundredweight, compared to \$23.74 for the top grade lambs. The average return per lamb did not differ greatly by size of flock, although the smaller farms did have a somewhat higher return, partly because of somewhat heavier weights in some grades and partly because of a slightly higher price per hundred pounds of lambs sold.

Wool Sales

An average of 43.5 cents per pound was received for wool sold from the 60 farms during the marketing year (table 12). A little over 500 pounds were sold per flock with an average value of \$253. An additional \$126 per farm was received as an incentive payment from the United States Department of Agriculture. Nine and a half pounds of wool were sold per ewe, resulting in a \$6.91 return per ewe for wool. The larger flocks sold 10.3 pounds of wool per ewe, while the medium and small flocks sold less than 9 pounds of wool per ewe.

Table 12

WOOL SALES
60 Central New York Farms, 1956

	Large flocks	Medium flocks	Small flocks	All flocks
Average price per pound	\$.486	\$.482	\$.485	\$.485
Per flock:				
Pounds	806	448	309	521
Value	\$ 392	\$ 216	\$ 150	\$ 253
Incentive	196	108	75	126
Total returns	588	324	225	379
Per ewe:				
Pounds	10.3	8.7	8.9	9.5
Total returns	\$ 7.52	\$ 6.27	\$ 6.48	\$ 6.91

Receipts and Expenses

In determining costs and returns, the amount of feed used by the sheep was taken from farm records or by estimates made by the farmer where no records were available. Value of the feed was taken from sales slips and the farmer's own estimate of the value of home-grown feeds. Home-grown feed accounted for over 90 percent of the total feed consumed by the sheep.

Pasture costs were calculated from the number of acres of each type of pasture used in the enterprise and based on per acre charges given by each farmer. In many instances the estimated charges were quite similar to the grazing fees of the Hector grazing project.

The farm operator estimated the labor used on the sheep enterprise, both in total and for the specific jobs. A rate of \$1.19 per hour was charged for all labor.

Investment in Buildings and Equipment

A cost rate was applied to the investment in buildings and equipment to determine a charge for their use. Since buildings were also used for other farm enterprises, each farmer was asked to estimate the total value of his buildings and the portion that should be charged to his sheep enterprise. The value of buildings charged to the sheep enterprise amounted to \$1,481 per farm.

The same procedure was used in determining the investment in equipment. Only equipment used directly in the sheep enterprise was listed, including such items as feeders, water equipment, scales and clippers. The average equipment investment per farm totaled \$53.

Building costs were computed at 10 percent of the value of the buildings used by the sheep. Equipment costs were calculated at 20 percent of the value of the equipment used directly for sheep. Machinery costs were charged on a mileage or per hour basis: tractors at \$1.05 per hour, trucks at 11.8 cents per mile, and cars at 8.0 cents per mile. The miles or hours operated were secured from each farm operator.

Interest was charged at the rate of 5 percent on the average capital invested in each sheep breeding flock.

Returns from the sale of animals were obtained from sales slips. Receipts from the sale of wool were also available from sales slips. Obtaining sales information was facilitated by the producers' need for sales slips when applying for incentive payment. Incentive payments to cooperators in this study were based on a United States average wool price of 41 cents per pound for the year 1956.

The net gain or loss of each enterprise was determined by taking the difference between total receipts and total expenses.

Return per hour of labor was calculated by adding the gain or loss to the total cost of labor and by dividing that sum by the total hours of labor used for each sheep enterprise.

Receipts and Expenses Per Farm

Average total receipts per farm for the sheep enterprise were \$1,668 (table 13). Almost half of this amount was received from sale of lambs. Wool sales accounted for an additional 22 percent of the returns. The balance of the receipts was accounted for by a small inventory increase, value of manure produced, and sales of other sheep, such as rams, old ewes, and breeding stock.

Total expenses per farm for the sheep enterprise were \$1,784. Nearly one-half of this amount was for feed--mostly hay and home-grown grains. The only other item accounting for more than 10 percent of the cost was the labor charge of \$445 per farm.

The net loss on the sheep enterprise averaged \$116 per farm. While on the average there was a net loss for each size group, the larger flocks did not lose as much money as the smaller flocks. If labor was not included as a cost and a labor return calculated, it would average \$329 per farm. Based on the number of hours devoted to the sheep enterprise on each farm, this would mean an hourly labor return of \$.88. It is significant to note that the small flocks averaged only \$.22 labor return per hour, the medium size flocks, \$1.01, and the large flocks, \$1.16 per hour.

Table 13 RECEIPTS AND EXPENSES PER FARM FROM SHEEP ENTERPRISE
60 Central New York Farms, 1956

	Large flocks	Medium flocks	Small flocks	All flocks
Number of ewes	78	52	35	55
Receipts:				
Inventory increase	\$ 183	\$ 96	\$ 105	\$ 128
Lamb sales	1309	837	572	906
Wool sales	588	324	224	379
Manure	227	142	97	155
Other sheep sales	<u>165</u>	<u>58</u>	<u>78</u>	<u>100</u>
Total receipts	\$ <u>2472</u>	\$ <u>1457</u>	\$ <u>1076</u>	\$ <u>1668</u>
Expenses:				
Inventory decrease	\$ 35	\$ 70	\$ 89	\$ 64
Sheep purchases	42	55	76	58
Feed	1308	632	561	834
Bedding	15	8	5	9
Labor	579	420	336	445
Buildings	196	124	124	148
Equipment	13	10	9	11
Machinery	44	25	26	32
Interest	107	71	49	76
Miscellaneous	<u>149</u>	<u>102</u>	<u>74</u>	<u>108</u>
Total expenses	\$ <u>2488</u>	\$ <u>1518</u>	\$ <u>1349</u>	\$ <u>1784</u>
Net profit or loss	\$ -16	\$ -61	\$ -273	\$ -116
Labor returns:				
Total	\$ 563	\$ 359	\$ 63	\$ 329
Per hour	\$ 1.16	\$ 1.01	\$.22	\$.88

Receipts and Expenses from the Sheep Enterprise per Ewe

Total receipts per ewe averaged \$30.42 for all farms (table 14). Balanced against total expenses of \$32.54, a net loss of \$2.12 per ewe was experienced by these producers. The loss ranged from 19 cents per ewe on the farms with large flocks to \$7.87 on the farms with small flocks. The average labor return was \$5.99 per ewe and ranged from a high of \$7.20 on farms with large flocks to a low of \$1.83 on the farms with the small flocks.

Profit per Ewe and Receipts and Expenses

The farms were divided into three equal groups, based on the profit or loss of the sheep enterprise. The 20 farms with the highest profit averaged \$7.04 per ewe, compared to a loss of \$13.12 for the 20 farms with the lowest profit per ewe (table 15). The return per hour averaged \$2.53 on the most profitable farms, compared to a loss of 39 cents per hour on the least profitable farms.

Table 14 RECEIPTS AND EXPENSES PER EWE FROM SHEEP ENTERPRISE
60 Central New York Farms, 1956

	Large flocks	Medium flocks	Small flocks	All flocks
Number of ewes	78	52	35	55
Receipts:				
Inventory increase	\$ 2.34	\$ 1.86	\$ 3.04	\$ 2.34
Lamb sales	16.71	16.20	16.53	16.51
Wool sales	7.52	6.27	6.48	6.91
Manure	2.90	2.74	2.79	2.83
Other sheep sales	<u>2.11</u>	<u>1.12</u>	<u>2.26</u>	<u>1.83</u>
Total receipts	\$ <u>31.58</u>	\$ <u>28.19</u>	\$ <u>31.10</u>	\$ <u>30.42</u>
Expenses:				
Inventory decrease	\$.45	\$ 1.36	\$ 2.57	\$ 1.18
Sheep purchases	.54	1.06	2.20	1.05
Feed	16.71	12.24	16.21	15.20
Bedding	.19	.16	.13	.17
Labor	7.39	8.12	9.70	8.11
Building	2.51	2.40	3.58	2.70
Equipment	.16	.19	.26	.19
Machinery	.56	.48	.76	.58
Interest	1.36	1.37	1.42	1.38
Miscellaneous	<u>1.90</u>	<u>1.98</u>	<u>2.14</u>	<u>1.98</u>
Total expenses	\$ <u>31.77</u>	\$ <u>29.36</u>	\$ <u>38.97</u>	\$ <u>32.54</u>
Net profit or loss	\$ -.19	\$ -1.17	\$ -7.87	\$ -2.12
Labor returns	\$ 7.20	\$ 6.95	\$ 1.83	\$ 5.99

The most profitable farms had a higher net return because of lower expenses and larger receipts from each ewe. Expenses were lower largely because of lower feed and labor costs and a smaller decrease in inventory values. Sheep on the farms with higher returns got more of their feed in the form of roughage and were fed only one-half the amount of concentrates fed to the sheep on the farms with lower returns, accounting for the smaller feed charge. The lower labor charge can be accounted for by the lower labor requirement per ewe (three hours less) on the more profitable farms.

More lambs and wool were sold per ewe from the farms with higher returns than from those with lower returns. This greater production can be attributed to the higher lamb crop and lower death losses in the more profitable flocks. Another return item, inventory increase, was noticeably greater on the more profitable farms than on the less profitable ones. This would account for a portion of the difference in returns, but it is not as important as the production factors.

Table 15

PROFIT PER EWE AND RECEIPTS AND EXPENSES
60 Central New York Farms, 1956

	Profit Per Ewe			
	High third	Medium third	Low third	All flocks
Number of ewes	62	53	50	55
Net profit or loss	\$ 7.04	\$ -2.41	\$ -13.12	\$ -2.12
Labor returns:				
Total	13.28	6.18	3.21	5.99
Per hour	2.53	.85	-.39	.88
Receipts:				
Inventory increase	\$ 2.26	\$ 3.42	\$ 1.30	\$ 2.34
Lamb sales	18.98	15.77	14.25	16.51
Wool sales	7.56	6.38	6.66	6.91
Manure value	2.92	2.78	2.76	2.83
Other sheep sales	<u>1.38</u>	<u>2.42</u>	<u>1.76</u>	<u>1.83</u>
Total receipts	\$ 33.10	\$ 30.77	\$ 26.73	\$ 30.42
Expenses:				
Inventory decrease	\$.81	\$.58	\$ 2.25	\$ 1.18
Sheep purchases	.75	1.59	.86	1.05
Feed	11.08	15.91	19.55	15.20
Bedding	.13	.25	.14	.17
Labor	6.24	8.59	9.91	8.11
Building	2.73	2.41	2.96	2.70
Equipment	.18	.18	.22	.19
Machinery	.77	.46	.47	.58
Interest	1.37	1.27	1.50	1.38
Miscellaneous	<u>2.00</u>	<u>1.94</u>	<u>1.99</u>	<u>1.98</u>
Total expenses	\$ 26.06	\$ 33.18	\$ 39.85	\$ 32.54

Summary

This study was based on a survey of the sheep enterprise on 60 Central New York farms for the year ending December 31, 1956. All farms selling 20 or more lambs to the Watkins Glen lamb pool during 1956 were included in the survey.

The farms studied were relatively small in terms of crop acres, number of work units, or man equivalents. The average farm was a little over a one man business. Very little hired labor was used on these farms, regardless of their size.

In general, the farms are quite diversified. Dairy was the largest single enterprise, followed by sheep and grain crops. One noticeable feature of the farms included in the study was the large amount of off-the-farm work, averaging 71 work units per farm.

At the beginning of 1956, there was an average of 63 head of sheep on the farms studied. In addition, 73 lambs were born during the year. Corriedale rams were the most predominant breed found on the farms surveyed.

It required \$15.20 worth of feed per ewe during the year. Of this amount nearly half was roughage. Over 90 percent of the feed was homegrown. The feed supply was made up of 143 pounds of concentrates, 72 pounds of roughage, and the use of a little less than one acre of all types of pasture per ewe.

An average of 374 hours of labor was required per farm on the sheep enterprise. About three-fourths of this amount was used during the lambing season and for chores while the sheep were on pasture. The average amount of labor required per ewe was 6.8 hours.

An average of 73 lambs were born during the year, representing a 133 percent lamb crop. Mortality among the lambs averaged 13 percent. Prime and choice lambs accounted for about one-third of all lambs sold; about 38 percent of the lambs were of good grade. The balance were utility, feeder, or other grades. The average weight of the lambs sold ranged from 92 pounds for the prime lambs to 67 pounds for the feeder lambs.

Average total receipts per farm for the sheep enterprise were \$1,668 or \$30.42 per ewe. Total expenses per farm were \$1,784 or \$32.54 per ewe. The net loss on the sheep enterprise averaged \$116 per farm or \$2.12 per ewe.

The return per hour of labor averaged \$.88. It should be noted, however, that only 374 hours of labor were used on the sheep enterprise per farm.

When the farms were divided into 3 equal groups based on profit or loss per ewe, the 20 farms with the highest profit averaged \$7.04 per ewe compared to a loss of \$13.12 for the 20 farms with the lowest profit per ewe.