

## **The 2000 Dairy Business Analysis Project**

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The Dairy Business Analysis Project ( DBAP) is a cooperative project between the Universities of Florida and Georgia to collect financial data for dairies. This report is a summary for the 2000 data.

During 2000, 23 dairies had complete data that was included in the summary (Table 1). There were 6 Georgia dairies and 17 Florida dairies. The average herd size was 1079 cows with 616 heifers. Florida had larger herds with 1142 cows and 706 heifers compared to 900 cows and 366 heifers for Georgia herds. Georgia herds had a 32% cull rate compared to 40% for Florida herds. Cows per workers were the same for Georgia and Florida herds, 64 cows per worker. The average milk production per cow was 17, 778 pounds with the Georgia herds higher at 20,248 pounds than the Florida herds at 16,906 pounds. Milk (million pounds) per worker was 1.083 for Georgia herds compared to .911 for Florida herds.

Revenues (Table 2) were higher for Florida herds than Georgia herds. Total revenue on a hundred weight basis was \$18.32 for Florida and \$17.70 for Georgia herds. Milk income was \$16.78 for Florida and \$16.42 for Georgia herds. Georgia herds had more income from crops and the Florida herds had more income from cows and heifers.

Expenses (Table 3) were higher for the Florida herds (\$17.43) than Georgia herds (\$16.09). Georgia herds had lower personnel cost (\$1.99 vs. \$2.89) and purchased feed costs (\$6.46 vs. \$7.47) than Florida herds. The Georgia herds grew more crops and had higher crop expense (\$.68 vs. \$.16), machinery expense (\$1.11 vs. .78) and machinery depreciation (\$.61 vs .38) than the Florida dairies.

Returns (Table 4) were higher for the Georgia dairies than Florida dairies in 2000. Net farm income from operations was \$1.60 for Georgia and \$.88 for Florida.

These values can serve as guidelines for dairy operations. Also producers that participate in the study can compare their herd to herds whose financial data was collected on the same basis. Herds that have participated in the project over a period of years can also mark their own progress and evaluate changes they have made.

I am currently collecting data for 2001. If you would like to participate in the 2001 Dairy Business Analysis Project, please contact me at 706-542-9107 or [lanceely@arches.uga.edu](mailto:lanceely@arches.uga.edu).

**Table 1. Dairies in the 2000 Dairy Business Analysis Project**

	<b>Total</b>	<b>Georgia</b>	<b>Florida</b>
<b>Dairies</b>	<b>23</b>	<b>6</b>	<b>17</b>
<b>Cows</b>	<b>1079</b>	<b>900</b>	<b>1142</b>
<b>Heifers</b>	<b>616</b>	<b>366</b>	<b>706</b>
<b>Milk/cow</b>	<b>17778</b>	<b>20248</b>	<b>16906</b>
<b>Cull Rate (%)</b>	<b>38</b>	<b>32</b>	<b>40</b>
<b>Cows/worker</b>	<b>64</b>	<b>63</b>	<b>64</b>
<b>Milk/worker (million pounds)</b>	<b>.956</b>	<b>1.083</b>	<b>.911</b>

**Table 2. Revenue for Dairies in the 2000 Dairy Business Analysis Project**

	<b>Total</b>	<b>Georgia</b>	<b>Florida</b>
	<b>\$ per cwt. milk</b>		
<b>Milk</b>	<b>16.69</b>	<b>16.42</b>	<b>16.78</b>
<b>Cow</b>	<b>.61</b>	<b>.54</b>	<b>.62</b>
<b>Heifers</b>	<b>.40</b>	<b>.19</b>	<b>.47</b>
<b>Other Livestock</b>	<b>.11</b>	<b>.00</b>	<b>.14</b>
<b>Crops</b>	<b>.06</b>	<b>.39</b>	<b>.06</b>
<b>Other</b>	<b>.28</b>	<b>.30</b>	<b>.24</b>
<b>Capital Livestock</b>	<b>.04</b>	<b>.16</b>	<b>-.12</b>
<b>Total</b>	<b>18.16</b>	<b>17.70</b>	<b>18.32</b>

**Table 3. Expenses for Dairies in the 2000 Dairy Business Analysis Project**

	<b>Total</b>	<b>Georgia</b>	<b>Florida</b>
	<b>\$ per cwt</b>		
<b>Personnel</b>	<b>2.66</b>	<b>1.99</b>	<b>2.89</b>
<b>Purchased Feed</b>	<b>6.94</b>	<b>6.46</b>	<b>7.47</b>
<b>Crops</b>	<b>.27</b>	<b>.68</b>	<b>.16</b>
<b>Machinery</b>	<b>.86</b>	<b>1.11</b>	<b>.78</b>
<b>Livestock</b>	<b>1.69</b>	<b>1.70</b>	<b>1.69</b>
<b>Milk Marketing</b>	<b>1.10</b>	<b>1.42</b>	<b>.99</b>
<b>Real Estate</b>	<b>.63</b>	<b>.48</b>	<b>1.06</b>
<b>Interest</b>	<b>.66</b>	<b>.50</b>	<b>.70</b>
<b>Other</b>	<b>1.44</b>	<b>1.13</b>	<b>1.44</b>
<b>Marketing</b>	<b>.44</b>	<b>.61</b>	<b>.38</b>
<b>Depreciation</b>			
<b>Building</b>	<b>.22</b>	<b>.20</b>	<b>.22</b>
<b>Depreciation</b>			
<b>Livestock</b>	<b>.88</b>	<b>.84</b>	<b>.89</b>
<b>Depreciation</b>			
<b>TOTAL</b>	<b>17.08</b>	<b>16.09</b>	<b>17.43</b>

**Table 4. Returns for Dairies in the 2000 Dairy Business Analysis Project**

	<b>Total</b>	<b>Georgia</b>	<b>Florida</b>
<b>Net Farm Income From Operations</b>	<b>\$ 1.07</b>	<b>\$ 1.60</b>	<b>\$ .88</b>
<b>Rate of Return on Assets</b>	<b>.07</b>	<b>.08</b>	<b>.07</b>
<b>Operating Profit Margin</b>	<b>.06</b>	<b>.08</b>	<b>.05</b>
<b>Asset Turnover Ratio</b>	<b>.88</b>	<b>1.01</b>	<b>.85</b>