

## AgriProfit\$ Cost & Returns Profiles

Dryland Feed Barley Brown Soils

16-July-12





**AgriProfit**\$ Cost & Returns Profiles give an insight into the productive and economic performance of Alberta cereal, oilseed, forage and grazing crops, reported by soil or grass-type zone.

This benchmark includes *AgriProfit*\$ crop observations from the period of 2008 – 2010. Averaging over a 3 year span smoothes out extremes in prices, yields and expenses. This gives

a better reflection of the crops' average unit production costs and profit potential.

Regional average performance for the crop is compared to a "top third" management group. Fields included in the top management group are drawn from the lowest cost third, as rated by total production cost per unit of output for that crop, in that area, for each of the years.

The 3-year summary table, and a range of frequency charts (over) highlight field level variability in key cost and returns tallies. This emphasizes further the need for producers to know and use their own crop unit costs in managing their businesses.

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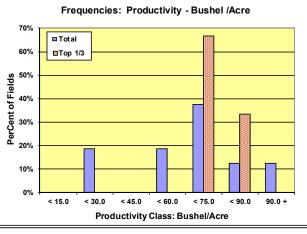
		<i>AgriProfit</i> \$ Cost	& Retur	ns Profiles		
Cro	p:	Dryland Feed Barley	Total	Top 1/3rd	Total	Top 1/3rd
	-	Brown Soils	\$/A	cre	\$/B	ushel
(A)	1.	Crop Sales	258.58	255.26	3.69	3.58
	6.	Other Revenues	10.70	8.53	0.15	0.12
		Gross Return	269.28	263.79	3.84	3.70
(B)	1.	Seed	11.26	10.18	0.16	0.14
:	2.	Fertilizer	46.93	49.23	0.67	0.69
;	3.	Chemicals	36.79	28.87	0.52	0.40
٠	4.	Crop Insurance Premiums	8.57	7.97	0.12	0.11
	5.	Trucking & Marketing	3.90	5.60	0.06	0.08
	6.	Fuel	11.91	14.23	0.17	0.20
	7.	Irrigation Fuel & Electricity	0.00	0.00	0.00	0.00
	8.	Repairs - Machinery	6.61	7.22	0.09	0.10
	9.	Repairs - Buildings	0.64	1.20	0.01	0.02
		Utilities & Misc. Expenses	6.19	8.99	0.09	0.13
		Custom Work & Specialized Labour	9.92	2.22	0.14	0.03
		Operating Interest Paid	0.56	0.24	0.01	0.00
		Paid Labour & Benefits	1.59	2.11	0.02	0.03
	14.	Unpaid Labour  Variable Costs	6.25 <b>151.14</b>	6.81 <b>144.89</b>	0.09 <b>2.16</b>	0.10 <b>2.03</b>
		variable Costs	151.14	144.89	2.16	2.03
(C)	1.	Cash/Share Rent & Land Lease	18.19	0.00	0.26	0.00
	2.	Taxes, Water Rates, Lic. & Insurance	3.53	4.95	0.05	0.07
	3.	Equip. & Bldg. a) Depreciation	21.69	25.25	0.31	0.35
		b) Lease Payments	0.56	1.76	0.01	0.02
	4.	Paid Capital Interest	9.09	14.98	0.13	0.21
		Total Capital Costs	53.07	46.95	0.76	0.66
(D)		Cash Costs (B+C-B14-C3)	176.27	159.77	2.52	2.24
(E)		Total Production Costs (B+C)	204.21	191.84	2.91	2.69
(F)		Gross Margin (A-D)	93.01	104.02	1.33	1.46
		Return to Unpaid Labour (A-E+B14)	71.32	78.76	1.02	1.10
		Return to Investment (A-E+C4)	74.16	86.94	1.06	1.22
		Return to Equity (A-E)	65.07	71.95	0.93	1.01
		Return on Investment (%)	6.3	5.2		
		Total Investment (\$/acre)	1,176	1,673		
		Management	156 F	125.9		
		Average field size (acres)  Number of Observations	156.5 16	125.8 6		
		Yield (Bushels/acre)	70.08	71.36		
		Expected Price (\$/Bushel)	3.69	3.58		
		Expected Filed (w/Dustiel)	0.00	0.00		

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Top 1/3rd selection criteria: Low Total Production Cost / Bushel

## Descriptive Statistics: Feed Barley Production - Total Group

Crop: Dryland Feed Barley	Qua	rtiles	Group		
Zone: Brown Soils	Low	High	Average	CV (%)	
Price (\$/Bushel)	3.20	3.90	3.69	11.4	
Yield (Bushel/Acre)	54.25	74.75	70.08	32.3	
	\$ / Acre				
Gross Revenue	205.39	299.06	269.28	35.9	
Seed, Fert, Chem	44.75	96.91	94.98	36.9	
Oth. Variable Costs	103.91	166.92	56.15	56.9	
Fixed Costs	30.19	60.58	53.07	51.6	
Total Production Costs	137.27	200.50	204.21	20.5	
Total Cash Costs	111.28	180.50	176.27	21.3	
Gross Margin	28.61	160.30	93.01	90.2	
Return to Equity	4.26	131.31	65.07	120.2	



## Frequencies: Seed, Fert & Chem Costs / Bushel 90% 80% 70% 90 60% 40% 20% 10% < \$0.50 < \$1.00 < \$1.50 < \$2.00 < \$2.50 < \$3.00 \$3.00 + Cost Class: \$/Bushel

