FARM MANAGEMENT

NOTES ..... for your information

UNIVERSITY OF CALIFORNIA • AGRICULTURAL EXTENSION SERVICE

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ENTERPRISE DATA SHEETS

WHAT? An enterprise data sheet is a single sheet or leaflet that contains some information and cultural notes on a single crop or livestock enterprise and a schedule of sample inputs and costs for a set of assumed and stated conditions.

WHY? These sheets are brief "handouts" to farm people to assist them in comparing alternatives in deciding what to grow, in making budgets and farm plans and as a standard or guide in comparing their own operations and costs to improve profit in the enterprise. They can also be used in group discussions. They are in demand and used by other agencies and workers in making budgets for credit, appraising land and estimating ability to pay taxes or for irrigation water.

WHO? Most data sheets are prepared by farm advisors as county publications--usually with some help from a farm management or other specialist. They are developed to fit typical local conditions in an area, a county or part of a county. Making one increases a farm advisor's competence and reputation in working with that enterprise. Data Sheets are a most important part of his "tool kit."

WHERE? Every county office should have a set of data sheets covering its main crop and livestock enterprises. Local farmers and farm advisors will have more confidence in, and make better use of, local county sheets they have helped develop. Data sheets from nearby counties or area sheets prepared by or for a group of counties, can also be used to round out a more complete coverage.

SIZE AND FORM - We recommend that enterprise data sheets be a single $8\frac{1}{2}$ x 11 inch sheet with information on one side and the schedule of inputs and costs on the other. These economical handout sheets can be punched and placed in a 3-ring binder--the farmer's planning notebook, the farm advisor's reference notebook and the office farm management handbook furnished each county office some time ago.

The folded booklet is used in some counties because it is considered more attractive and usable by farmers. It is less convenient and requires more clerk time.

For special purposes, these separate data sheets on several enterprises can be assembled into an imposing publication. With a general introduction, Dan Irving issued "Cost Estimates of Crop Production in Southern Monterey County" covering 13 crops. The Riverside County 1957 Annual Report contained information and actual or sample costs on 56 enterprises.

BASIC ASSUMPTIONS - Yields, costs and methods vary widely from farm to farm and year to year. A useful sample schedule of inputs and costs cannot be an average for all conditions. It should cover a typical set of conditions as to size of business and include the operations of good farmers doing the things necessary to get good yields. Assumptions on which each sheet is based should be clearly stated so the user can make his own adjustments to his conditions

in equipment used, wage rates, material costs, etc.

YIELDS - The yield or production used as the basis of costs should be a good commercial yield--typical of the better farmers--probably above the local average. Hence, the schedule will be a better guide in planning and analyzing individual enterprises. Summary costs for other yields can sometimes be shown at the bottom of the table.

SIZE OF BUSINESS - Since inputs and costs vary with the size of the equipment used and the acreage served by this equipment, a typical size of operation should be used for each data sheet and this size should be stated. Equipment overhead is spread over total crop acres or hours of use.

COSTS TO INCLUDE - All costs of production should be shown - labor, materials, cash overhead, depreciation and interest on investment. Convenient subtotals for different groups will save time in budgeting and planning.

HARVESTING - Harvesting costs should be shown on the basis typical of the size and kind of operation. It can be with own labor and equipment in the cash costs, with depreciation and interest on the equipment below, or on a contract basis - whichever is prevalent. Where harvesting is by the buyer, the harvesting cost can be shown at the bottom of the table after "Total Costs Up to Harvesting."

OWNER OR RENTER - A schedule on an owner-basis is more useful. It can be the basis for our "Work Sheet for Determining Rent or Shares." With the owner-basis, taxes and interest on investment for land and improvements are shown. If renting is more prevalent, the carefully determined prevailing rent can be shown and landlord's costs omitted. It is a good idea to show summary costs for the other basis at the bottom of the table. For half-year or short-time crops, use the proper per cent of a year's rent or taxes and interest on the land.

ACCURACY - We all wish to maintain a high standard of validity and accuracy in all our County and State Extension publications. In preparing data sheets secure adequate and true information. Check your data as you obtain it from farmers. Double check your calculations. It's a good idea to have someone else check and edit your sheet before publication. Your farm management specialist will be glad to do it. Some farm advisors take their completed sheet for inspection and approval to a few growers before mimeographing - a good idea.

GETTING THE DATA - When these data sheets were started as "standards" about 20 years ago, they were based on actual supervised records in enterprise management studies. Then we found we could compile useful schedules of inputs and costs with information obtained more easily from growers by surveys and in group discussions. So now we get our information largely from farmers in individual farm calls or special meetings called for the purpose. We get some from other sources, such as taxes from the assessor, machinery costs from dealers and certain material and operation costs from farm service companies.

GROUP METHOD - A quick way to get inputs and costs is to call a dozen good growers together for the purpose. Start with the assumptions and then work out inputs and costs on the blackboard for each operation and item. You can just about cover a crop in an afternoon or long evening. Your success here will depend on your ability to get at least six good growers together and your familiarity with the crop. You have to guard against the tendency for resulting costs to be on the high side.

SURVEY METHOD - Visiting, by appointment, a number of individual growers separately is an excellent way for a new farm advisor to get acquainted with an enterprise and his growers. He inquires into all the details of each grower's methods, the time, quantity and cost for each operation and item. Use our form "Truck and Field Crop Input and Cost Surveys." It will save time and prevent omissions. When you have enough schedules to get a typical picture--usually about six--call your farm management specialist and we will build up the final schedule from this and other information.

UNIFORMITY - Calculations and method of presentation of the input and cost information in a uniform manner in all data sheets, would be highly desirable. You can then make county to county comparisons and use other sheets correctly. Farmers can be taught how to use all sheets more easily. Your farm management specialists will help you toward a more uniform system. Some changes from former methods will be made.

REVISION - When conditions, methods or prices have changed, a revision of a data sheet is called for. Discard the old and replace with a new. This will usually be every two or three years.

DISTRIBUTION - The distribution of county enterprise data sheets is up to the issuing farm advisor. We suggest that you send a copy to nearby interested farm advisors and the specialists concerned. Be sure and send 25 copies of each new data sheet to S. A. Anderson, Public Service, Room 121, Giannini Hall. He will take care of state office distribution and records and the Public Services offices. We suggest no regular mailing list for these data sheets. The demand would be overwhelming. You will serve best by handing or mailing out these sheets in response to specific requests. They are your best aids on the business side of farming.

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