

9. FEEDLOTS

Several studies have been made to determine the maximum efficiency of feedlots based on size. According to one Colorado study, feedlots with between 1,700 and 4,000 head on feed at a time with a 15-ton feed mill were most efficient. The feedlot with 4,000 to 9,000 head on feed at a time with a 50-ton mill was most efficient. This study indicates that economies of size obtained by feedlots feeding over 1,500 head are too small to have any appreciable effect on the average cost of producing beef.

A USDA study concludes that economies of size are attainable in a size range of 1,500 to 5,000 head. Beyond this point the cost curve declined slightly, but the savings were insignificant. All of these studies indicate that there is no economy resulting from the gigantic feedlots such as those operated by the National Tea food chain and the Gates Rubber Company. These feedlots are apt to be much less efficient because they are not operated at full capacity. Consequently the percentage of fixed costs are greater than in the small feedlot.

EXHIBIT B

PRICE INCREASES OF FARM MACHINERY AND EQUIPMENT

Price increases of farm machinery since 1947

The wholesale price of a 3 moldboard plow increased from \$254 to \$580.
 The wholesale price of a drawn corn planter increased from \$200 to \$455.
 A larger type drawn corn planter increased from \$493 to \$1,120.
 The wholesale price of a grain drill increased from \$391 to \$901.
 A larger type grain drill increased from \$725 to \$1,670.
 The wholesale price of a manure spreader increased from \$509 to \$928.
 The wholesale price of a 4-row cultivator increased from \$363 to \$811.

Percent price increase since 1947

Farm and garden tractors:	
Row Crop or general purpose, 30-49 HP.....	79.70
Tricycle, row-crop, 40 or over max. HP.....	57.70
4-Wheel, Diesel, 75-92 max. HP.....	74.20
Tracklaying Type, under 60 D. HP.....	161.30
Motor Tiller, 3-4 HP.....	22.80
Agricultural machinery:	
Excluding Tractors.....	95.40
Plow, Moldboard, Drawn, 4 Bottom.....	146.60
Plow, Moldboard, Mounted, 3 Bottom.....	128.10
Harrow, Drawn.....	102.90
Corn Planter, Drawn.....	127.10
Grain Drill, Fertilizer Type.....	130.20
Manure Spreader, PTO Driven.....	82.30
Hydraulic Loader.....	29.10
Cultivator, Mounted, 4 Row.....	123.30
Rotary Hoe, Pull Type.....	26.50
Hand Sprayer.....	98.98
Cotton Picker, 2 Row Self Propelled.....	31.70
Combine, Self Prop., Under 15 ft. cut.....	83.00
Corn Picking Attachment for Combines.....	114.55
Corn Picker, Mounted.....	57.60
Forage Harvester, Drawn.....	104.60
Mower, mounted.....	126.40
Rake, Drawn.....	117.20
Hay Baler, Drawn.....	56.60
Farm Elevator, Portable.....	76.00
Wagon, Chassis Only.....	47.40
Agricultural Equipment.....	44.40
Stock Tank.....	100.70
Brooder, Gas.....	67.70
Barn Cleaner.....	24.10
Water System, Shallow Well, Jet.....	77.70
Motor trucks.....	49.10
Composite for agricultural machinery and equipment.....	81.40