

# FACT SHEET

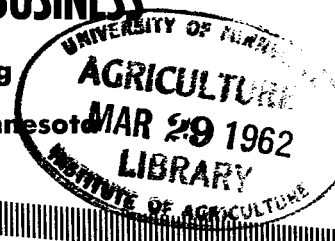
POULTRY  
 NO. 22

## TURKEY BREEDERS AND REPLACEMENTS:

### BREEDER HEN BUSINESS

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If you are starting, moving, or expanding in the turkey breeder hen business you should make a detailed plan of your future operation. Set up this program so that you can estimate needs, income, and expenses. This approach can eliminate many costly errors and even failure. A well planned program will help you get financial assistance. It will also serve as a guide to orderly development.

Intention is not enough. As the margin of profit narrows, a sound program becomes more important. First, you need goals for the project, such as:

1. New income wanted per year.
2. Production goals per hen.
3. Profit per hen.
4. Total number of breeders.
5. Total capital investment.

#### COST FACTORS

What contributes to the cost of turkey egg production? There are three main factors: (1) breeding, (2) feeding, and (3) management. These factors will cause variations in the cost figures in table 1.

Table 1. Costs of keeping a turkey breeder hen

Expenses	Cost per hen
Market bird, 14.5 pounds, at \$.30 per pound.	dollars 4.35
Holding feed to 7 months. . . . .	.90
Breeder mash . . . . .	4.00
Litter . . . . .	.25
Electricity, insurance, misc. . . . .	.30
Interest . . . . .	.60
Selecting and testing . . . . .	.15
Total . . . . .	10.55
Tom cost. . . . .	1.00
Artificial insemination. . . . .	.70
Total. . . . .	12.25

#### EXPECTED INCOME

These costs mean little unless the expected

income can be measured. A range in income is essential. Some managers can and will do better than others.

Table 2 shows the importance of good egg production and high hatchability of eggs. For this illustration, the egg producer is paid 53 cents a poult sold and only saleable poults are counted. Gross income is calculated by applying 50 to 60 percent hatchability to egg production.

Table 2. Possible gross income per hen

No. eggs per hen	No. saleable poults per hen		Gross income dollars
	50 percent hatch	60 percent hatch	
40 . . . . .	20		10.60
. . . . .		24	12.72
50 . . . . .	25		13.25
. . . . .		30	15.90
60 . . . . .	30		15.90
. . . . .		36	19.08
70 . . . . .	35		18.55
. . . . .		42	22.26
80 . . . . .	40		21.20
. . . . .		48	25.44

Besides this gross income, there is income from sale of the toms and hens. If breeders are selling for 16 cents a pound live weight, the added income is \$3.04 per hen. This includes the sale of both the hen and the tom.

Table 3. Calculated net income per hen using production cost from table 1

Gross income from table 2	Plus sale of breeder at \$3.04	Less custom hatching at 8 cents per egg	Net* income
			dollars
10.60	13.64	3.20	-1.81
12.72	15.76	3.20	.31
13.25	16.29	4.00	.04
15.90	18.94	4.00	2.69
15.90	18.94	4.80	1.89
19.08	22.12	4.80	5.07
18.55	21.59	5.60	3.74
22.26	25.30	5.60	7.45
21.20	24.24	6.40	5.59
25.40	28.44	6.40	9.79

\* Net income is the amount of money left to pay labor, management, interest, real estate taxes, depreciation, and other fixed costs.

FIXED COSTS

Any plan should include two flocks a year. An insulated building is necessary for coolness in the summer. Such a program requires a holding building and a breeder house.

Table 4. Capital investment required for sound program

Building and equipment	Investment per bird
	dollars
Holding building . . . . .	4.40
Equipment for holding building:	
Feeders, waterers, fence . . . . .	.50
Miscellaneous. . . . .	.10
	<u>5.00</u>
Breeder house:	
Semiconfinement' . . . . .	4.40
Nests . . . . .	1.00
Feeders, waterers, fence . . . . .	.50
Miscellaneous. . . . .	.10
	<u>6.00</u>
Total	11.00

It is possible to use a brooding building as a

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holding and darkening building. For best results, however, plan on a building for each purpose. This type of program requires the capital investments shown in table 4.

Since two flocks a year can be handled, the total of \$11 per hen will be divided by two. This leaves an investment of \$5.50 per breeder hen. Under these circumstances the fixed costs are concluded as given in table 5.

Table 5. Fixed costs per hen

Fixed costs	Cost per hen
	dollars
Interest on investment at 6 percent . . . . .	.33
Depreciation of equipment at 20 percent . . . . .	.12
Depreciation of building at 10 percent . . . . .	.44
Taxes and insurance . . . . .	.10
Total	<u>.99</u>

Using the tables, it is possible to plan a new program, move to a new location, or set up an expanded project. The figures are estimates. Use them only as a guide. They will vary with location, individual, and equipment.

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