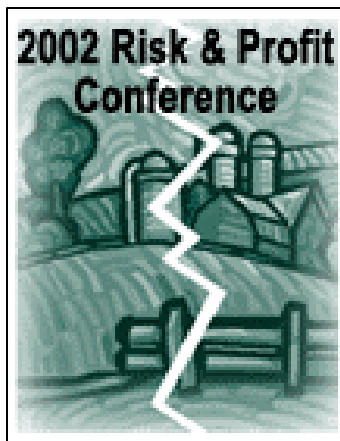


Characteristics of Profitable Farms: An Analysis of Kansas Farm Management Association Enterprise Data

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Prepared for and presented at the
Kansas State University Risk and Profit Conference
August 15-16, 2002
Manhattan, KS



Do profitable farms have higher yields? Do they sell their commodities for a higher price? Do they have lower costs? Selected enterprise budgets from the Kansas Farm Management Association will be analyzed over the three-year period of 1999-2001 to provide insight into these questions. Farm enterprise data are divided into high, medium, and low profitability groups to allow for comparisons of farms across categories. In addition to revealing characteristics of profitable farms, these statistics can be utilized for benchmarking or comparative analysis of other farms.

¹ Dr. Kevin Dhuyvetter, Professor, and Aaron Beaton, Graduate Research Assistant, in the Department of Agricultural Economics contributed greatly to the original concept and design of this research project.

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Farm profitability is a topic widely discussed in both the agricultural community and in Washington D.C. It is important on both the individual farm level and also on the policy making level. At the macro level, many factors uncontrollable by producers (e.g., interest rates, trade policies, government programs) impact overall farm profitability. However, producers do have more control of profitability at the farm level relative to other producers. Thus, it is important to recognize what characteristics determine farm profitability. Do profitable farms get higher yields? Do profitable farms receive more for their commodity? Do they have lower cost? If they have lower costs, in what areas are the costs lower? To consider these questions, selected enterprise budgets from the Kansas Farm Management Association (KFMA) database for the year 1999-2001 were divided into three profitability groups, high, middle, and low, based on net returns to management. A discussion of several enterprises at the state-level is presented below. In addition, summary tables are included in the appendix for major enterprises for specific Kansas Farm Management Associations.

Conceptual Framework

Enterprise results can be highly variable from year to year due to weather conditions and other random events. In order to lessen the impact of weather and other abnormal events, enterprise data were studied over the three-year period 1999-2001. A farm represented in this study is actually a 3-year average of that farm's enterprise data. A farm's enterprise data is averaged for 1999-2001 and then treated as one farm or observation. This should allow for a better analysis of a farm's profitability and competitive position over time versus a single year analysis.

The KFMA data were then sorted into high, middle, and low profitability categories based on net returns to management. This allows for comparisons of farm size, production levels, sales prices, and specific cost items across profitability groups. Making these comparisons with one's own operation is known as benchmarking which is one of the comparative analysis tools that can be used to measure improvements in performance. Continuous improvement and learning are essential ingredients to success in a competitive industry. Assessing improvements from an individual firm perspective is only possible if the firm knows where it stands in relation to other firms in the industry.

Kansas Farm Management Data

Enterprise data from the Kansas Farm Management Associations were used for this analysis. Crop enterprises included alfalfa, corn, grain sorghum, soybeans, and wheat. To allow for easier comparisons a number of the income and expense categories reported in the KFMA enterprise reports were aggregated. Other income is the summation of patronage income, miscellaneous income, machine

hire, futures contract income, and crop insurance proceeds. Labor costs are the summation of unpaid operator labor and hired labor. Other costs are the summation of miscellaneous fees and publications, grain storage and marketing, personal property tax, general farm insurance, utility expense, conservation, and auto-expense. Land costs are the summation of cash rent expense, real estate taxes, and the opportunity cost on owned land. Interest is the total of interest paid and an interest charge on a portion of the variable costs and management depreciation. Cost of production estimates used in this study include cash costs as well as opportunity costs associated with unpaid operator labor and owned assets. Opportunity costs represent the value of resources, such as operator labor and owned assets, measured in terms of their next best alternative use.

Livestock enterprises include beef cows and beef backgrounding. Again, some expense categories were aggregated. Labor costs included hired and unpaid operator labor. Other expense included fees, personal property tax, general farm insurance, utility expense, real estate taxes, and auto-expense. Interest is the total of interest paid and an interest charge on a portion of purchased livestock, variable costs, and management depreciation. The beef cow enterprise was split into two groups based on weight of the calves sold. The first group marketed 450-600 pound calves, while the second group sold 600-800 pound calves. The second group consists primarily of farms that background their weaned calves.

Crop Enterprise Results, Tables 1-7

Nonirrigated Wheat:

Table 1 illustrates the results for 391 nonirrigated wheat enterprise farms. The high profit farms averaged \$69.79/acre higher net returns than the low profit farms. The high profit farms had 90% more wheat acres, rented the highest proportion (80.3%) of their wheat acres, and produced a slightly higher yield than the two other categories. Wheat prices received and government payment were virtually flat across all three categories. The mid-profit farms produced the lowest gross income per acre at \$122.59.

Every cost category was lower for the high profit farms relative to the low profit farms. Differences in total costs accounted for 92% of the \$69.79/acre profitability difference between the high and low groups. Labor (hired and unpaid operator) costs contributed the most to the disparity. Machinery, land, and interest costs followed this. It is also interesting to note that the high profit producers produced the largest yield/acre despite having lower costs for each of the major direct inputs (seed, fertilizer, chemicals). High profit producers appear to be more efficiently using these inputs and/or are benefiting from volume driven price discounts.

Irrigated Wheat:

Table 2 reports enterprise results for 24 irrigated wheat farms. Average net returns were \$78.69/acre higher for the high profit group versus the low profit farms. The mid-profit farms had the most irrigated wheat acres, but rented the lowest proportion of those acres. Yields were very consistent

across all three categories. The high profit farms generated the lowest wheat price at \$2.43/bu. They also had the lowest crop income, government payments, and gross income on a per acre basis. The low profit farms had the highest gross income per acre however.

Despite generating a superior gross income, total production costs relegated the low profit farms to the bottom category. These farms had nearly \$105/acre higher costs, primarily driven by machinery and labor costs. The high profit farms also had lower direct input costs, including irrigation fuel for pumping water. Even with a \$26/acre disadvantage in gross income, the cost advantage of the high profit farms allowed them to generate a net return to management of \$31.43 per acre.

Nonirrigated Grain Sorghum:

Table 3 reveals that the high profit grain sorghum farms had 71% more grain sorghum acres, the highest percentage (81.3%) of rented acres, a 13 bushel/acre yield advantage, and a \$0.17/bu price advantage over the low profit farms. This resulted in a \$13.85/acre or 10% gross income advantage for 1999-2001. Grain sorghum comprised 22-23% of the total crop acres for all of the farms.

The high profit farms again held the cost advantage in every category relative to the low profit farms. Gross income differences explained 15.9% of the profit advantage, while the cost disparity accounted for 84.1% of the \$87.25 spread in net return per acre. Labor and machinery costs again accounted for the majority of the cost differences, implying that economies of scale are present for the high profit farms. Land costs were \$9.63/acre greater for low profit farms, with most of the variation stemming from opportunity costs on owned land.

Nonirrigated Corn:

Table 4 illustrates the results for 102 nonirrigated corn enterprise farms. The high profit farms averaged \$100.49/acre higher net returns than the low profit farms. The high profit farms had 43% more corn acres, rented the highest proportion (79.1%) of their corn acres, and generated a 17.4 bushel per acre higher yield. The high profit farms received \$0.08/bu more than the low profit farms for their corn. The yield and price advantage resulted in a gross income per acre that was \$19.38 higher than the low profit farms.

Machinery costs accounted for \$21.35/acre of the \$81.11/acre cost disparity between high and low profit farms. Management depreciation and general machinery repairs are the largest components of the machinery difference at \$8.69/acre and \$6.91/acre, respectively. Land and labor costs are the next largest contributors to the cost spread. Finally, it is important to note that the high profit farms with lower direct input costs held a significant yield advantage.

Sprinkler Irrigated Corn:

Table 5 reports similar results for 69 sprinkler irrigated corn farms. High profit farms had 27% more corn acres, rented 88.8% of their acres, averaged 9.4 bu/acre more than the low profit farms, but received \$0.09/bu less for their corn. The low profit farms only rented 66% of their irrigated corn acres

by comparison. The low profit farms had the highest gross return per acre at \$407.55 or \$4.58/acre more than the high profit farms due to their higher sales price and operator's share of the crop.

High profit farms overcame the gross income deficit with a \$132.86/acre cost advantage. With the exception of irrigation fuel, the high profit farms had lower costs in every category. Total machinery costs, labor, and land costs were the three largest causes of the cost divergence. High profit farms averaged a net return to management of \$68.52/acre over the three-year period and mid profit farms also averaged a positive net return of \$9.29/acre. Economies of scale are also apparent in this enterprise as many of the fixed or pseudo fixed costs are lower per acre for the high profit farms.

Nonirrigated Soybeans:

Table 6 illustrates the results for 187 nonirrigated soybean farms. The 63 high profit farms had 121 more soybean acres, the highest ratio of rented acres (82.7%), and 5.1 bushel per acre yield advantage over the low profit farms. Average prices received were very consistent across the three profitability groups. The high profit farms averaged a \$19.52/acre higher gross income per acre. This difference accounted for 25.7% of the difference in net returns per acre.

High profit farms averaged a \$75.81/acre higher net return to management relative to the low profit farms. A cost advantage of \$56.30/acre explained 74.3% of the disparity in profit. Labor and aggregate machinery costs were again key components in the cost spreads. The high profit farms posted lower average costs in all categories once again. These high profit farms again illustrate that superior production levels can be achieved in concert with efficiency and cost control.

Nonirrigated Alfalfa:

Table 7 reports the analytical results for 81 nonirrigated alfalfa producers. This enterprise is unique in that it is the only crop enterprise of the seven analyzed where production and revenues were larger contributors to differences in net returns. The 27 high profit farms had the smallest number of alfalfa acres, but produced exactly 1 ton/acre more alfalfa than the bottom profitability groups. Prices averaged within a \$2/ton range across all groups. The mid profit group had the largest number of alfalfa acres, but averaged the lowest price/ton at \$64.84/ton.

The high profit farms did hold a \$65.53/ton cost advantage over the low profit farms, which accounted for 45.2% of the difference in net returns. However, the mid profit farms had \$10.44/acre lower costs relative to the high profit farms. Their lower production levels and slightly lower price received relegated them to the middle category. Machinery costs, labor, and interest were still cost advantages for the high profit farms.

Livestock Enterprise Results, Tables 8-10

Beef Cow Enterprise, selling 450-600 pound calves:

Table 8 illustrates net returns to management for 71 producers selling weaned calves. For cow-calf producers selling lightweight calves, the net return to management was \$234.49 per cow more for

high profit producers versus low profit farms. The high profit farms averaged 100 more cows per herd and sold slightly heavier calves for a \$2.32/cwt higher price. The high profit farms also had a \$62.31/cow high gross income. This figure includes gain on cows sold as well as miscellaneous income. The higher gross income accounted for 26.6% of the difference in net returns to management.

Every cost category was lower for the high profit farms, accounting for 73.4% of the difference in profitability. Feed costs were the largest contributor to the cost differences. Feed costs were \$50.65/cow or 18% lower for the high cost producers. High profit farms are likely more economically meeting the nutritional needs of their herd and/or more efficiently using the feedstuff resources available to them. Labor, interest, machinery, depreciation, and miscellaneous costs were other large contributors to the \$172.18/cow cost advantage of high profit farms. These cost advantages imply that larger cow-calf operations were able to capture economies of scale.

Beef Cow Enterprise, selling 600-800 pound calves:

Table 9 reports results for 80 producers who backgrounded their weaned calves for a period. The net return to management was \$274.06 per cow more for high profit farms. The high profit farms managed herds with 60 more cows. Calf weights and sales prices varied little across all three categories. Gross returns on per basis were nearly \$50/cow higher for high profit farms after taking into account calf sale, cow sales, miscellaneous income, and inventory adjustments. The higher gross income accounted for 18.1% of the difference in net returns to management.

Every cost category was lower for the high profit farms, accounting for 81.9% of the difference in profitability. Feed costs were the largest contributor to the cost differences. Feed costs were \$93.65/cow or 27% lower for the high profit producers. Labor, machinery, depreciation, and miscellaneous costs were other large contributors to the \$224.47/cow cost advantage of high profit farms.

Beef Backgrounding Enterprise

Table 10 illustrates income and expense results for 40 backgrounding operations on a hundred weight (cwt) basis. The enterprise size for the high profit farms was nearly double that of the low profit farms. Including inventory adjustments, the high profit farms also added an additional 54 pounds to the calves in their backgrounding programs. The high profit farms sold their calves for \$3.25/cwt more than the low profit operations. The result is an \$8.02/cwt advantage in gross income, which accounts for 30.9% of the difference in net returns.

Every cost category was lower for the high profit farms, except for marketing expenses. This accounted for 69.1% of the difference in profitability. Feed costs were \$7.69/cwt lower for high profit farms, easily the most significant factor in the cost disparity. Interest and labor costs were also major drivers of the cost spread.

Summary:

This study illustrates that significant differences existed in the average 1999-2001 profit levels for various enterprises on KFMA farms. For the crop enterprises considered here, the smallest difference in

profitability between high and low profit producers of \$69.79 per acre occurred for nonirrigated wheat, while the largest difference was \$145.05/acre for nonirrigated alfalfa. The average net return to management for high profit farms was \$97.91 per acre higher than for the low profit farms for the seven crop enterprises analyzed. Sixteen percent of this difference could be attributed to gross income while the other 84% was the result of cost differences.

As Table 11 illustrates, high profit farms had the most acres for 5 of the 7 enterprises, while the mid profit farms were the largest in the two other instances. This may suggest that economies of size exist, especially given that the low profit farms never had the most acres. In addition, the high profit farms had the largest average size for each livestock enterprise. Additionally, each of the high profit crop enterprises had the highest yields. A three-year analysis should smooth out most of the weather effects. Weather events can have a significant impact on yields, but management factors can as well. Timely field operations (e.g. planting, spraying, harvesting) can impact final yields in addition to proper selection of crop rotations and technology adoption. Producers should not assume that only weather will dictate what their yields will be.

The prices received were fairly consistent across the three profit categories. There is no clear pattern for the crop enterprises. Each of the profit groups received the highest price at least once for the seven crop enterprises studied. This suggests prices had less impact on net return differences than enterprise size, yields, or costs. In other words, farmers should focus more on maximizing production and minimizing costs relative to marketing, as those are the areas with the most variability.

The high profit farms had the lowest costs for six of the seven crop enterprises, while the mid profit farms were the lowest in the other instance. Low profit farms had the highest total cost in all cases. The livestock enterprises are consistent with these results as well.

Appendix:

The same analysis was conducted for several key crop enterprises at the Kansas Farm Management Association level. These enterprise budgets provide more detailed regional information that might be more applicable to specific farms. However, it is important to remember that all farms are competing against each other no matter what county, state, or country they reside in. The results in the appendix are similar to those already discussed above.

The KFMA website contains additional farm management related data and studies. Timely research reports, additional enterprise budgets, and a variety of whole -farm financial and production statistics are available. This is excellent information for constructing budgets, performing comparative analysis or benchmarking, etc. The address is <http://www.agecon.ksu.edu/kfma/>

**Table 1. Kansas Farm Management Association
Nonirrigated Wheat Enterprise Sorted by Net Return to Management per Acre, 1999-2001**

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	131	130	130		
Percent of Total Crop Acres	37.7%	40.8%	38.3%	-1%	-2%
Enterprise Acres	683	589	360	324	90%
Owned Acres	135	162	117	17	15%
Rented Acres	549	427	242	306	127%
Percent of Enterprise Acres Rented	80.3%	72.5%	67.3%	13.0%	19%
Yield per Acre	43.7	41.2	39.8	3.9	10%
Operator Percentage	76.7%	79.0%	81.6%	-4.9%	-6%
Price per bushel	\$2.56	\$2.53	\$2.55	\$0.00	0%
INCOME:					
Crop Income	\$84.75	\$81.93	\$82.58	\$2.17	3%
Government Payments	\$37.71	\$35.20	\$35.47	\$2.24	6%
Other Income	\$8.23	\$5.47	\$6.92	\$1.30	19%
Gross Income	\$130.68	\$122.59	\$124.97	\$5.71	5%
COSTS:					
Seed	\$4.32	\$4.45	\$6.55	(\$2.23)	-34%
Fertilizer	\$12.75	\$14.61	\$18.61	(\$5.86)	-31%
Herbicide-Insecticide	\$4.50	\$4.14	\$4.76	(\$0.26)	-5%
Crop Insurance	\$2.82	\$3.11	\$3.13	(\$0.31)	-10%
General Machinery Repair	\$9.82	\$11.64	\$17.05	(\$7.23)	-42%
Machine Hire	\$5.87	\$6.15	\$6.63	(\$0.76)	-11%
Gas, Fuel, and Oil	\$6.16	\$6.90	\$8.88	(\$2.71)	-31%
Depreciation	\$11.90	\$13.26	\$17.46	(\$5.56)	-32%
Machinery Sub-total	\$33.75	\$37.95	\$50.02	(\$16.27)	-33%
Labor	\$18.18	\$24.65	\$37.29	(\$19.11)	-51%
Other	\$6.07	\$7.55	\$11.10	(\$5.04)	-45%
Land	\$11.97	\$16.42	\$20.67	(\$8.70)	-42%
Interest	\$9.47	\$12.05	\$15.77	(\$6.30)	-40%
Total Cost	\$103.84	\$124.93	\$167.92	(\$64.08)	-38%
Net Return to Management	\$26.85	(\$2.34)	(\$42.94)	\$69.79	

This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.

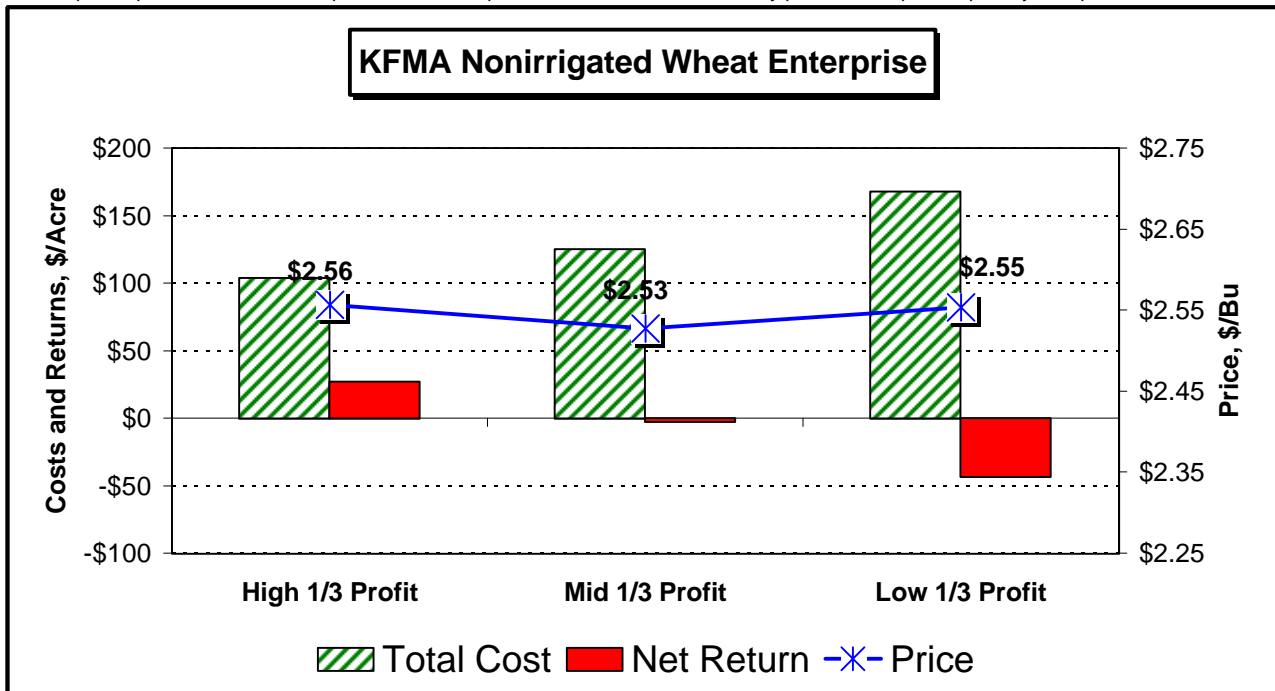


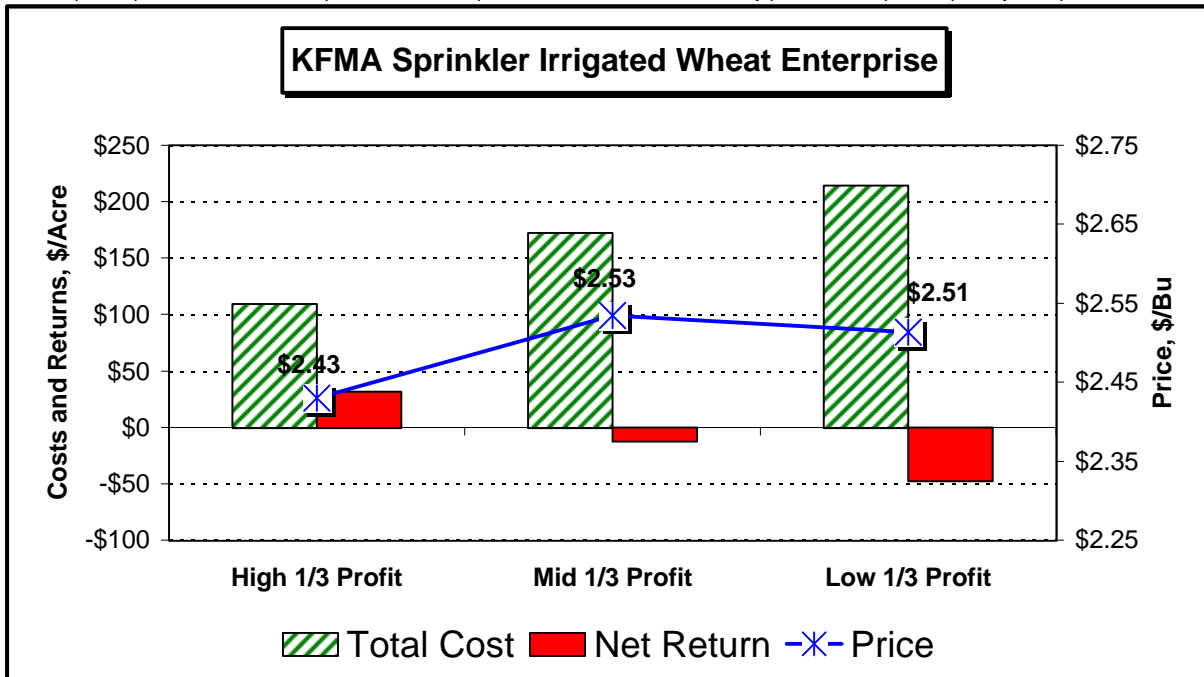
Table 2.

Kansas Farm Management Association

Sprinkler Irrigated Wheat Enterprise Sorted by Net Return to Management per Acre, 1999-2001

	Profit Category			Difference between	
	High 1/3	Mid 1/3	Low 1/3	High 1/3 and Low 1/3	
	Per Acre	Per Acre	Per Acre	Absolute	%
Number of Farms	8	8	8		
Percent of Total Crop Acres	12.6%	16.0%	9.8%	3%	29%
Enterprise Acres	209	338	140	69	49%
Owned Acres	10	57	10	(0)	-2%
Rented Acres	199	282	130	69	53%
Percent of Enterprise Acres Rented	95.2%	83.2%	92.7%	2.5%	3%
Yield per Acre	55.9	54.3	55.2	0.7	1%
Operator Percentage	68.8%	73.8%	74.5%	-5.7%	-8%
Price per bushel	\$2.43	\$2.53	\$2.51	(\$0.08)	-3%
INCOME:					
Crop Income	\$94.49	\$100.12	\$103.18	(\$8.70)	-8%
Government Payments	\$38.46	\$55.42	\$56.23	(\$17.77)	-32%
Other Income	\$7.96	\$4.78	\$7.71	\$0.24	3%
Gross Income	\$140.90	\$160.31	\$167.12	(\$26.22)	-16%
COSTS:					
Seed	\$4.02	\$5.17	\$9.14	(\$5.12)	-56%
Fertilizer	\$9.41	\$15.64	\$17.90	(\$8.48)	-47%
Herbicide-Insecticide	\$5.29	\$13.29	\$15.92	(\$10.63)	-67%
Crop Insurance	\$1.70	\$4.24	\$5.21	(\$3.51)	-67%
Irrigation Fuel	\$13.63	\$18.35	\$23.80	(\$10.17)	-43%
Irrigation Repairs	\$4.32	\$5.27	\$8.07	(\$3.76)	-47%
General Machinery Repair	\$9.86	\$12.06	\$22.60	(\$12.74)	-56%
Machine Hire	\$6.06	\$11.02	\$10.41	(\$4.35)	-42%
Gas, Fuel, and Oil	\$8.57	\$6.36	\$10.38	(\$1.81)	-17%
Depreciation	\$11.09	\$20.98	\$19.97	(\$8.88)	-44%
Machinery Sub-total	\$39.91	\$55.69	\$71.43	(\$31.53)	-44%
Labor	\$14.06	\$23.52	\$34.49	(\$20.43)	-59%
Other	\$6.43	\$10.11	\$12.42	(\$5.99)	-48%
Land	\$5.18	\$11.46	\$7.96	(\$2.79)	-35%
Interest	\$9.84	\$14.71	\$16.11	(\$6.27)	-39%
Total Cost	\$109.47	\$172.19	\$214.39	(\$104.92)	-49%
Net Return to Management	\$31.43	(\$11.87)	(\$47.26)	\$78.69	

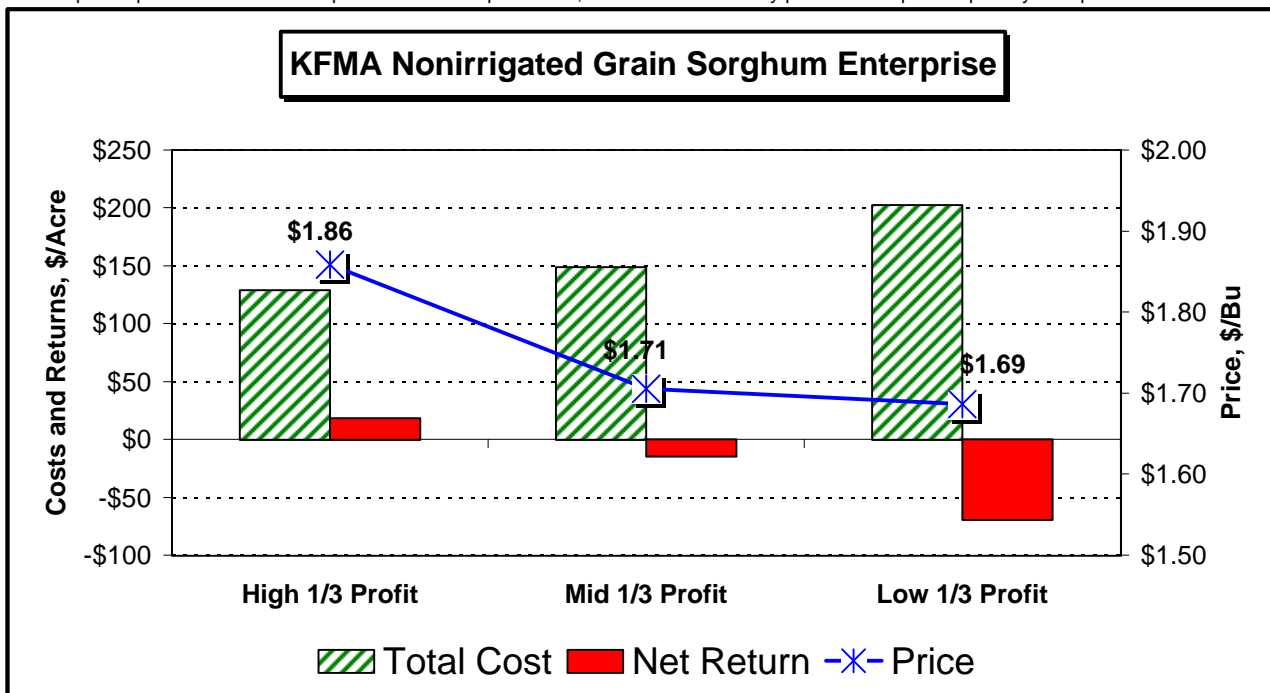
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



**Table 3. Kansas Farm Management Association
Nonirrigated Grain Sorghum Enterprise Sorted by Net Return to Management per Acre, 1999-01**

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	82	82	82		
Percent of Total Crop Acres	21.9%	23.1%	22.5%	-1%	-3%
Enterprise Acres	365	299	214	151	71%
Owned Acres	68	64	71	(2)	-3%
Rented Acres	297	235	143	154	108%
Percent of Enterprise Acres Rented	81.3%	78.5%	66.9%	14.4%	21%
Yield per Acre	76.0	71.8	63.0	13.0	21%
Operator Percentage	78.1%	76.0%	84.0%	-5.8%	-7%
Price per bushel	\$1.86	\$1.71	\$1.69	\$0.17	10%
INCOME:					
Crop Income	\$101.47	\$92.03	\$88.52	\$12.95	15%
Government Payments	\$40.29	\$35.81	\$37.08	\$3.20	9%
Other Income	\$5.68	\$6.89	\$7.98	(\$2.30)	-29%
Gross Income	\$147.44	\$134.73	\$133.58	\$13.85	10%
COSTS:					
Seed	\$6.81	\$7.97	\$9.35	(\$2.53)	-27%
Fertilizer	\$16.22	\$20.72	\$24.15	(\$7.93)	-33%
Herbicide-Insecticide	\$15.45	\$18.34	\$19.37	(\$3.92)	-20%
Crop Insurance	\$2.47	\$2.58	\$2.86	(\$0.39)	-14%
General Machinery Repair	\$10.54	\$12.18	\$17.77	(\$7.23)	-41%
Machine Hire	\$5.54	\$4.67	\$5.92	(\$0.37)	-6%
Gas, Fuel, and Oil	\$6.65	\$6.72	\$9.22	(\$2.57)	-28%
Depreciation	\$12.86	\$14.11	\$20.08	(\$7.21)	-36%
Machinery Sub-total	\$35.59	\$37.68	\$52.97	(\$17.38)	-33%
Labor	\$20.23	\$25.20	\$38.42	(\$18.20)	-47%
Other	\$6.78	\$8.24	\$12.32	(\$5.54)	-45%
Land	\$14.81	\$15.14	\$24.45	(\$9.63)	-39%
Interest	\$10.79	\$13.10	\$18.66	(\$7.87)	-42%
Total Cost	\$129.16	\$148.96	\$202.55	(\$73.39)	-36%
Net Return to Management	\$18.28	(\$14.23)	(\$68.96)	\$87.24	

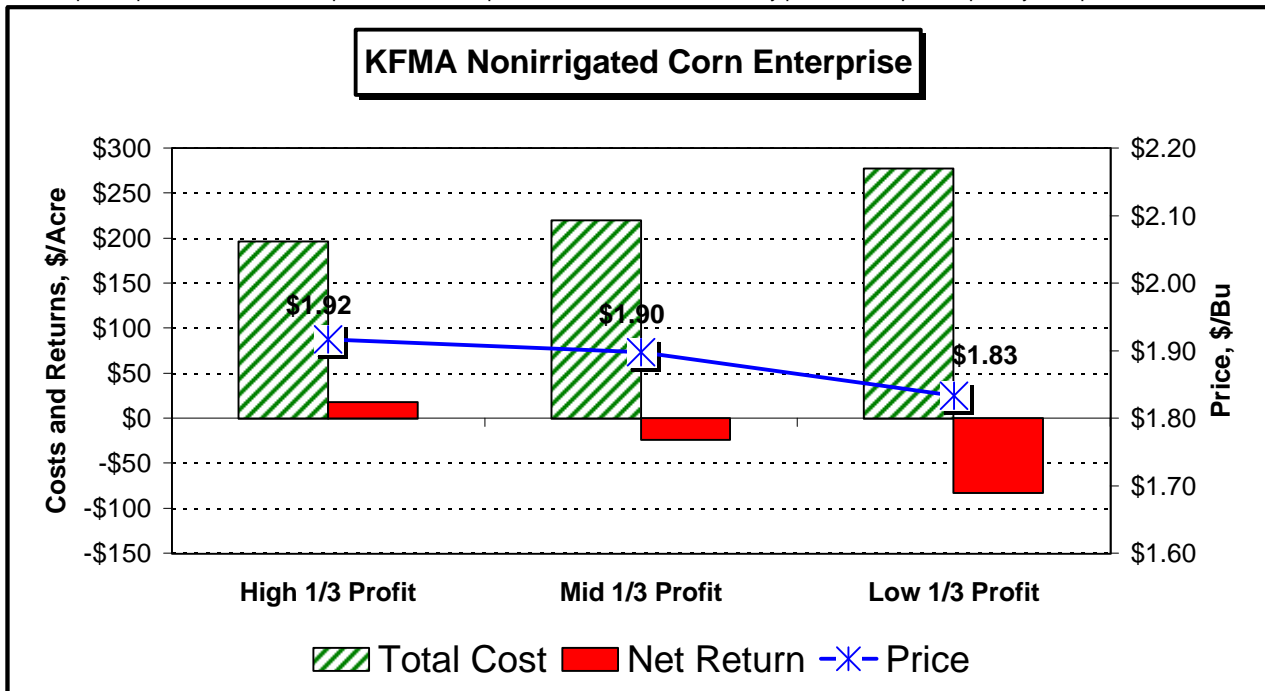
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



**Table 4. Kansas Farm Management Association
Nonirrigated Corn Enterprise Sorted by Net Return to Management per Acre, 1999-2001**

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	34	34	34		
Percent of Total Crop Acres	22.4%	23.2%	25.7%	-3%	-13%
Enterprise Acres	309	306	216	93	43%
Owned Acres	65	72	81	(16)	-20%
Rented Acres	244	234	136	109	80%
Percent of Enterprise Acres Rented	79.1%	76.6%	62.7%	16.4%	26%
Yield per Acre	111.6	96.1	94.2	17.4	18%
Operator Percentage	75.4%	78.5%	82.2%	-6.8%	-8%
Price per bushel	\$1.92	\$1.90	\$1.83	\$0.08	5%
INCOME:					
Crop Income	\$156.88	\$142.32	\$141.46	\$15.42	11%
Government Payments	\$46.64	\$46.98	\$43.67	\$2.97	7%
Other Income	\$10.26	\$7.35	\$9.27	\$0.99	11%
Gross Income	\$213.78	\$196.65	\$194.40	\$19.38	10%
COSTS:					
Seed	\$23.90	\$24.49	\$27.75	(\$3.84)	-14%
Fertilizer	\$25.90	\$29.80	\$34.65	(\$8.76)	-25%
Herbicide-Insecticide	\$20.18	\$18.74	\$26.63	(\$6.46)	-24%
Crop Insurance	\$3.09	\$2.80	\$3.92	(\$0.83)	-21%
General Machinery Repair	\$14.03	\$16.53	\$20.94	(\$6.91)	-33%
Machine Hire	\$5.88	\$5.05	\$8.96	(\$3.08)	-34%
Gas, Fuel, and Oil	\$8.48	\$9.15	\$11.15	(\$2.67)	-24%
Depreciation	\$17.54	\$19.32	\$26.23	(\$8.69)	-33%
Machinery Sub-total	\$45.93	\$50.05	\$67.28	(\$21.35)	-32%
Labor	\$29.12	\$36.33	\$42.61	(\$13.49)	-32%
Other	\$8.51	\$10.07	\$13.89	(\$5.38)	-39%
Land	\$23.08	\$28.89	\$38.05	(\$14.97)	-39%
Interest	\$16.38	\$18.73	\$22.41	(\$6.04)	-27%
Total Cost	\$196.08	\$219.90	\$277.19	(\$81.11)	-29%
Net Return to Management	\$17.69	(\$23.25)	(\$82.80)	\$100.49	

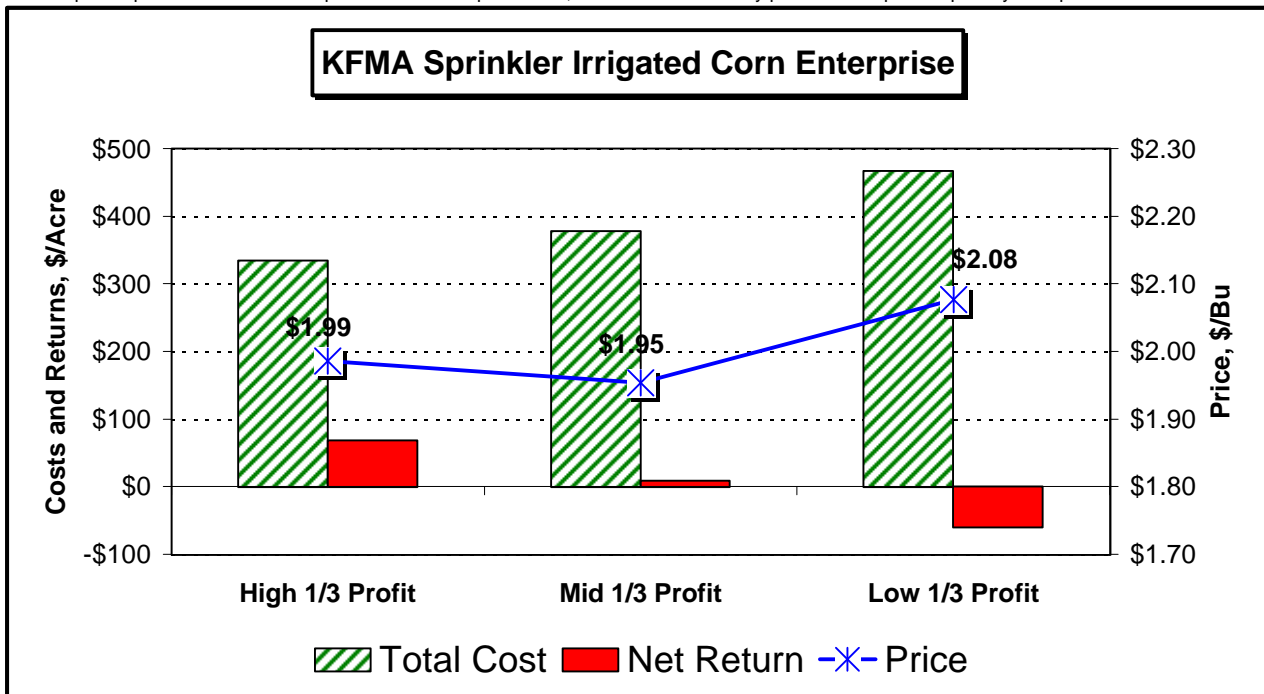
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



**Table 5. Kansas Farm Management Association
Sprinkler Irrigated Corn Enterprise Sorted by Net Return to Management per Acre, 1999-01**

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	23	23	23		
Percent of Total Crop Acres	27%	32%	32%	-4%	-13%
Enterprise Acres	472	449	371	101	27%
Owned Acres	53	104	127	(73)	-58%
Rented Acres	419	345	244	175	72%
Yield per Acre	186.7	176.1	177.2	9.4	5%
Operator Percentage	78.7%	81.5%	81.8%	-3.1%	-4%
Price per bushel	\$1.99	\$1.95	\$2.08	(\$0.09)	-4%
INCOME:					
Crop Income	\$289.06	\$277.97	\$298.35	(\$9.29)	-3%
Government Payments	\$101.52	\$96.70	\$93.91	\$7.61	8%
Other Income	\$12.39	\$13.00	\$15.29	(\$2.90)	-19%
Gross Income	\$402.98	\$387.67	\$407.55	(\$4.58)	-1%
COSTS:					
Seed	\$36.50	\$39.64	\$45.57	(\$9.07)	-20%
Fertilizer	\$39.46	\$42.59	\$48.45	(\$9.00)	-19%
Herbicide-Insecticide	\$33.95	\$35.57	\$43.77	(\$9.82)	-22%
Crop Insurance	\$8.18	\$8.13	\$9.49	(\$1.31)	-14%
Irrigation Fuel	\$40.88	\$41.18	\$36.47	\$4.41	12%
Irrigation Repairs	\$4.38	\$8.72	\$12.82	(\$8.44)	-66%
General Machinery Repair	\$17.53	\$22.33	\$28.99	(\$11.46)	-40%
Machine Hire	\$20.86	\$29.67	\$24.35	(\$3.49)	-14%
Gas, Fuel, and Oil	\$13.24	\$12.69	\$14.38	(\$1.14)	-8%
Depreciation	\$20.79	\$24.84	\$41.30	(\$20.52)	-50%
Machinery Sub-total	\$76.80	\$98.26	\$121.84	(\$45.04)	-37%
Labor	\$28.45	\$31.98	\$53.17	(\$24.71)	-46%
Other	\$15.68	\$18.42	\$23.31	(\$7.63)	-33%
Land	\$25.98	\$34.34	\$47.51	(\$21.53)	-45%
Interest	\$28.56	\$28.27	\$37.73	(\$9.17)	-24%
Total Cost	\$334.45	\$378.38	\$467.32	(\$132.86)	-28%
Net Return to Management	\$68.52	\$9.29	(\$59.76)	\$128.29	

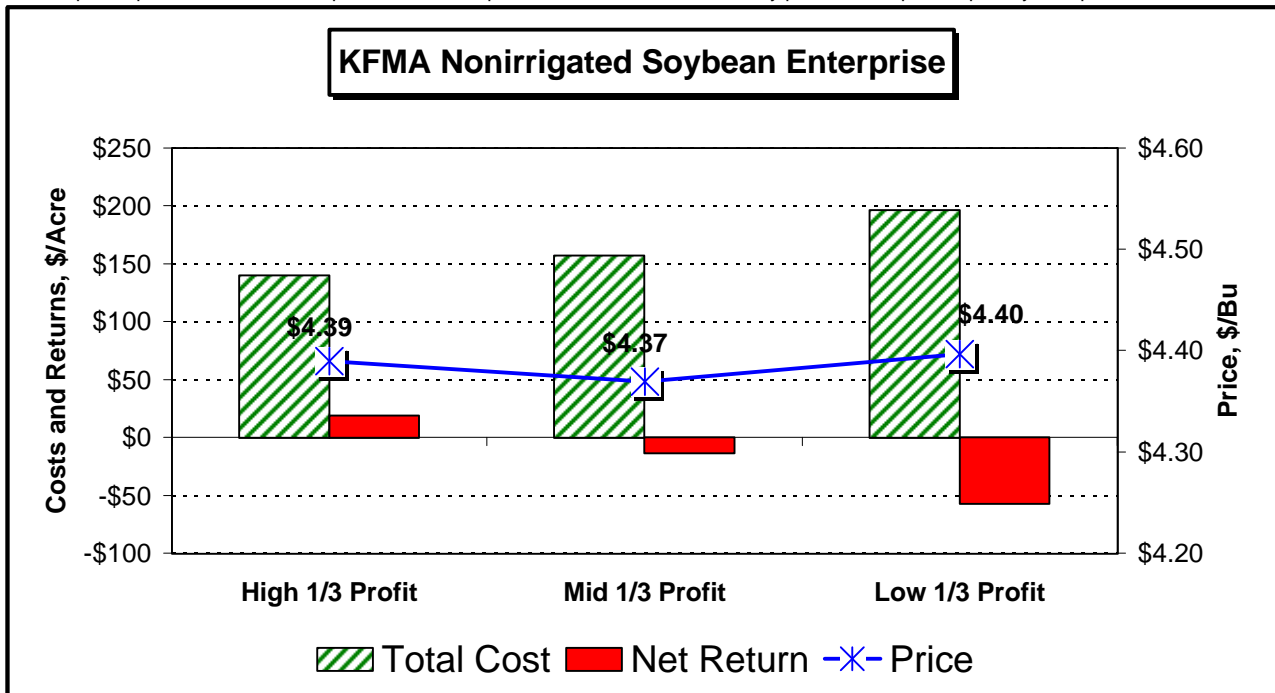
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



**Table 6. Kansas Farm Management Association
Nonirrigated Soybean Enterprise Sorted by Net Return to Management per Acre, 1999-2001**

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	63	62	62		
Percent of Total Crop Acres	30.6%	29.6%	34.0%	-3%	-10%
Enterprise Acres	404	344	283	121	43%
Owned Acres	70	73	79	(9)	-12%
Rented Acres	334	270	204	130	64%
Percent of Enterprise Acres Rented	82.7%	78.6%	72.0%	10.7%	15%
Yield per Acre	30.2	26.2	25.1	5.1	21%
Operator Percentage	76.8%	79.4%	80.0%	-3.2%	-4%
Price per bushel	\$4.39	\$4.37	\$4.40	(\$0.01)	0%
INCOME:					
Crop Income	\$99.75	\$89.02	\$86.19	\$13.56	16%
Government Payments	\$46.53	\$45.09	\$43.13	\$3.40	8%
Other Income	\$12.68	\$9.86	\$10.13	\$2.55	25%
Gross Income	\$158.97	\$143.97	\$139.45	\$19.52	14%
COSTS:					
Seed	\$17.75	\$20.07	\$20.46	(\$2.72)	-13%
Fertilizer	\$2.50	\$4.29	\$3.07	(\$0.56)	-18%
Herbicide-Insecticide	\$17.48	\$17.77	\$20.11	(\$2.63)	-13%
Crop Insurance	\$2.84	\$2.58	\$3.16	(\$0.32)	-10%
General Machinery Repair	\$12.21	\$12.75	\$18.49	(\$6.28)	-34%
Machine Hire	\$4.41	\$3.94	\$5.86	(\$1.46)	-25%
Gas, Fuel, and Oil	\$7.61	\$7.26	\$9.20	(\$1.60)	-17%
Depreciation	\$14.86	\$17.01	\$20.43	(\$5.58)	-27%
Machinery Sub-total	\$39.08	\$40.95	\$53.99	(\$14.91)	-28%
Labor	\$23.80	\$28.92	\$38.47	(\$14.67)	-38%
Other	\$6.94	\$8.39	\$13.03	(\$6.09)	-47%
Land	\$16.67	\$20.30	\$23.86	(\$7.19)	-30%
Interest	\$13.14	\$14.10	\$20.35	(\$7.21)	-35%
Total Cost	\$140.21	\$157.37	\$196.51	(\$56.30)	-29%
Net Return to Management	\$18.76	(\$13.39)	(\$57.05)	\$75.81	

This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



**Table 7. Kansas Farm Management Association
Nonirrigated Alfalfa Enterprise Sorted by Net Return to Management per Acre, 1999-01**

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	27	27	27		
Percent of Total Crop Acres	12.3%	18.5%	20.0%	-8%	-38%
Enterprise Acres	106	182	139	(33)	-24%
Owned Acres	33	24	48	(14)	-30%
Rented Acres	73	158	92	(19)	-21%
Percent of Enterprise Acres Rented	68.5%	87.0%	65.8%	2.7%	4%
Yield per Acre	4.0	3.0	3.0	1.0	32%
Operator Percentage	94.4%	91.1%	84.5%	9.9%	12%
Price per Ton	\$66.80	\$64.84	\$66.55	\$0.25	0%
INCOME:					
Crop Income	\$248.54	\$170.06	\$166.60	\$81.94	49%
Government Payments	\$22.76	\$21.36	\$24.88	(\$2.12)	-9%
Other Income	\$1.68	\$1.91	\$1.98	(\$0.30)	-15%
Gross Income	\$272.99	\$193.34	\$193.46	\$79.52	41%
COSTS:					
Seed	\$4.83	\$4.78	\$10.09	(\$5.26)	-52%
Fertilizer	\$10.34	\$5.80	\$9.54	\$0.80	8%
Herbicide-Insecticide	\$9.25	\$10.47	\$12.61	(\$3.36)	-27%
Crop Insurance	\$0.00	\$0.65	\$0.03	(\$0.03)	-100%
General Machinery Repair	\$14.45	\$14.32	\$21.71	(\$7.26)	-33%
Machine Hire	\$4.35	\$4.26	\$16.41	(\$12.06)	-74%
Gas, Fuel, and Oil	\$7.51	\$7.91	\$9.91	(\$2.39)	-24%
Depreciation	\$15.14	\$14.67	\$18.59	(\$3.45)	-19%
Machinery Sub-total	\$41.44	\$41.16	\$66.61	(\$25.17)	-38%
Labor	\$28.49	\$32.01	\$52.02	(\$23.54)	-45%
Other	\$8.83	\$8.69	\$14.40	(\$5.57)	-39%
Land	\$42.49	\$32.29	\$36.22	\$6.27	17%
Interest	\$13.55	\$12.95	\$23.24	(\$9.69)	-42%
Total Cost	\$159.23	\$148.79	\$224.76	(\$65.53)	-29%
Net Return to Management	\$113.76	\$44.54	(\$31.29)	\$145.05	

This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.

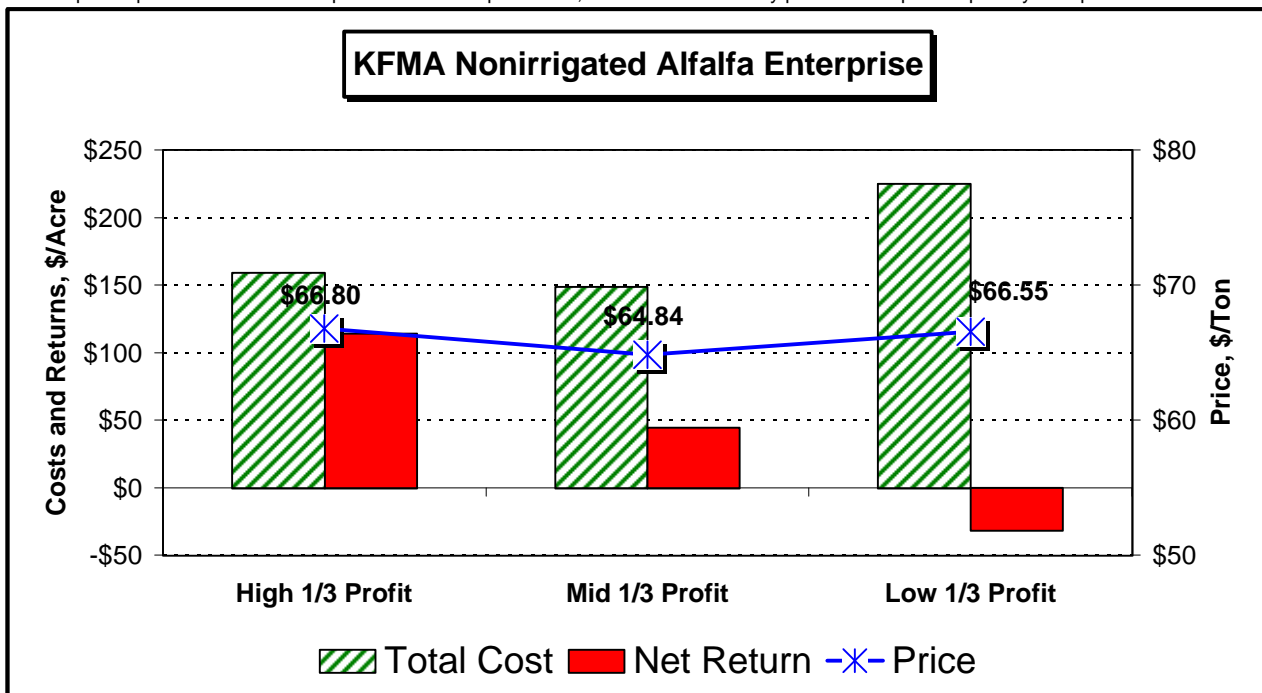


Table 8. Kansas Farm Management Association, 1999-2001
Beef Cow, Sell 450-600# Calves, Enterprise Sorted by Net Return to Management per Cow

	Profit Category			Difference between	
	High 1/3 Head / \$	Mid 1/3 Head / \$	Low 1/3 Head / \$	High 1/3 and Low 1/3 Absolute	%
Number of Farms	24	24	23		
Number of Cows in Herd	168	127	67	100	149%
Number of Calves Sold	147	102	57	90	159%
Weight of Calves Sold	558	542	542	16	3%
Calf Sales Price / Cwt	\$89.50	\$89.28	\$87.18	\$2.32	3%
INCOME:					
Gross Income	\$482.09	\$443.49	\$419.77	\$62.31	15%
COSTS:					
Feed	\$232.55	\$258.41	\$283.19	(\$50.65)	-18%
Interest	\$81.01	\$91.19	\$106.39	(\$25.38)	-24%
Vet Medicine / Drugs	\$13.88	\$14.75	\$15.43	(\$1.55)	-10%
Livestock Marketing / Breeding	\$5.28	\$7.66	\$11.88	(\$6.60)	-56%
Depreciation	\$12.46	\$23.54	\$29.49	(\$17.02)	-58%
Machinery	\$32.45	\$33.92	\$53.20	(\$20.75)	-39%
Labor	\$50.26	\$71.57	\$83.15	(\$32.88)	-40%
Other	\$17.95	\$23.53	\$35.29	(\$17.34)	-49%
Total Cost	\$445.84	\$524.56	\$618.02	(\$172.18)	-28%
Net Return to Management	\$36.24	(\$81.08)	(\$198.25)	\$234.49	

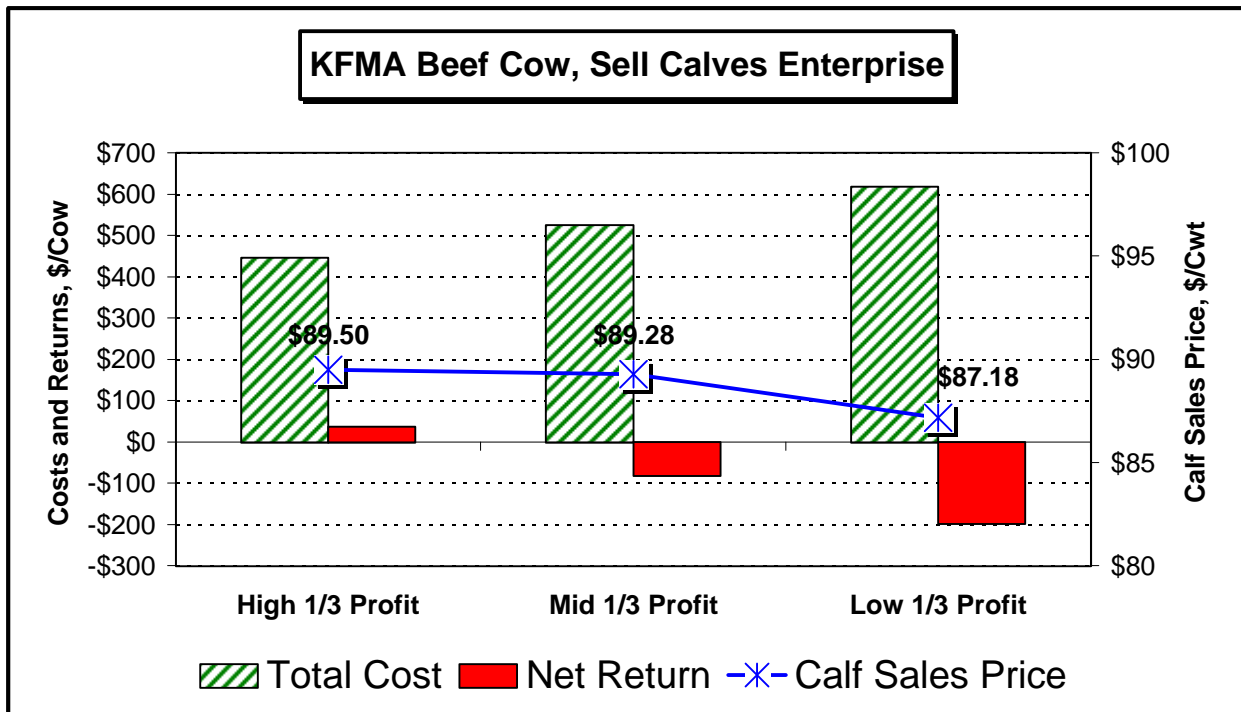


Table 9. Kansas Farm Management Association, 1999-2001
Beef Cow, Sell 600-800# Calves, Enterprise Sorted by Net Return to Management per Cow

	Profit Category			Difference between	
	High 1/3 Head / \$	Mid 1/3 Head / \$	Low 1/3 Head / \$	High 1/3 and Low 1/3 Absolute	%
Number of Farms	27	27	26		
Number of Cows in Herd	130	103	71	60	84%
Number of Calves Sold	103	75	61	42	68%
Weight of Calves Sold	669	676	645	24	4%
Calf Sales Price / Cwt	\$82.32	\$81.93	\$82.63	(\$0.31)	0%
INCOME:					
Gross Income	\$541.27	\$500.79	\$491.67	\$49.59	10%
COSTS:					
Feed	\$250.18	\$280.32	\$343.83	(\$93.65)	-27%
Interest	\$100.50	\$97.62	\$107.91	(\$7.40)	-7%
Vet Medicine / Drugs	\$19.74	\$16.39	\$20.85	(\$1.11)	-5%
Livestock Marketing / Breeding	\$7.86	\$9.22	\$21.65	(\$13.79)	-64%
Depreciation	\$18.10	\$23.32	\$38.62	(\$20.52)	-53%
Machinery	\$32.58	\$42.38	\$61.18	(\$28.60)	-47%
Labor	\$62.39	\$77.69	\$101.42	(\$39.04)	-38%
Other	\$18.43	\$28.49	\$38.80	(\$20.36)	-52%
Total Cost	\$509.78	\$575.43	\$734.24	(\$224.47)	-31%
Net Return to Management	\$31.49	(\$74.64)	(\$242.57)	\$274.06	

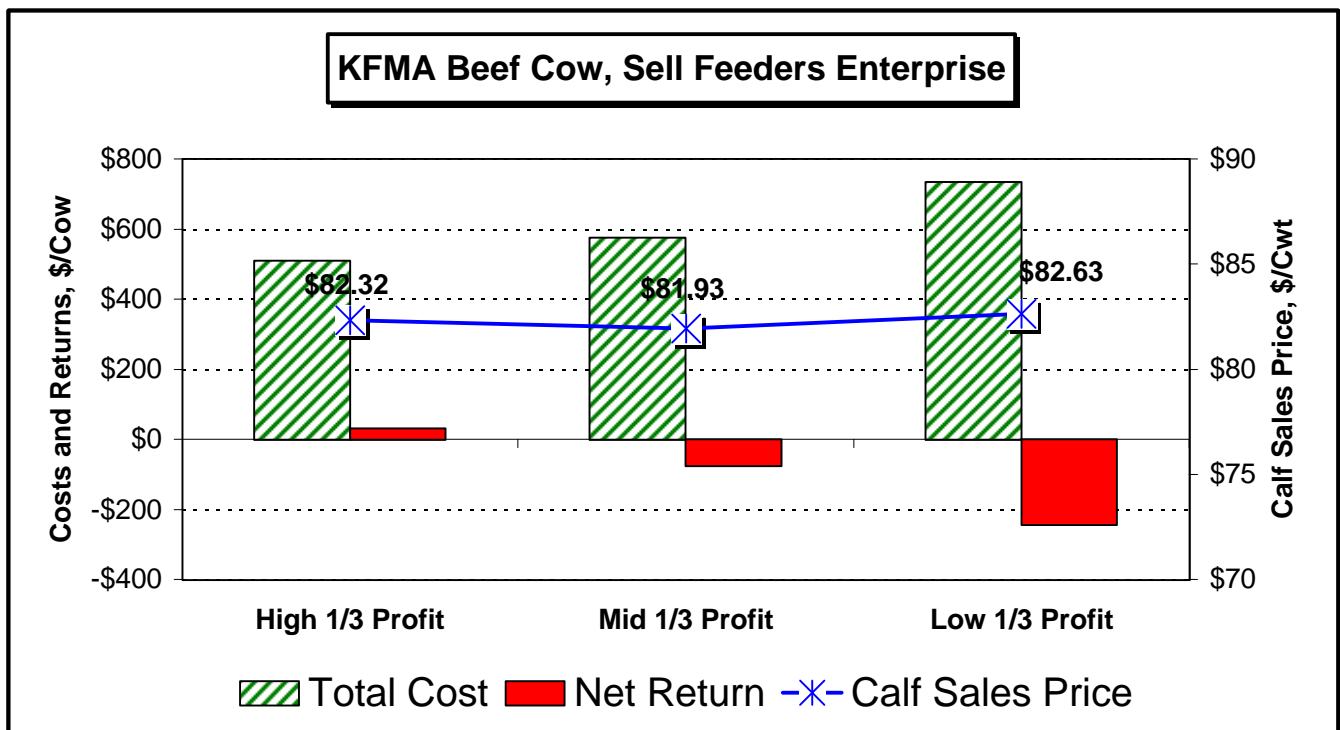


Table 10. Kansas Farm Management Association, 1999-2001
Beef Backgrounding, Enterprise Sorted by Net Return to Management per Cwt

	Profit Category			Difference between	
	High 1/3 Head / \$	Mid 1/3 Head / \$	Low 1/3 Head / \$	High 1/3 and Low 1/3 Absolute	%
Number of Farms	14	13	13		
Number of Calves Sold	540	480	275	265	96%
Purchase Weight	461	466	497	(36)	-7%
Purchase Price / Cwt	\$93.60	\$91.69	\$89.06	\$4.54	5%
Sale Weight	809	797	800	9	1%
Sales Price / Cwt	\$80.30	\$79.58	\$77.05	\$3.25	4%
Pounds of Gain per Head	367	323	313	54	17%
INCOME:					
Gross Income	\$61.97	\$62.01	\$53.95	\$8.02	15%
COSTS:					
Feed	\$32.28	\$33.63	\$39.98	(\$7.69)	-19%
Interest	\$12.17	\$13.07	\$15.56	(\$3.39)	-22%
Vet Medicine / Drugs	\$4.49	\$5.54	\$5.86	(\$1.37)	-23%
Livestock Marketing / Breeding	\$2.63	\$2.34	\$2.08	\$0.55	27%
Depreciation	\$1.46	\$2.62	\$2.35	(\$0.89)	-38%
Machinery	\$3.64	\$5.12	\$5.02	(\$1.38)	-27%
Labor	\$4.33	\$7.94	\$6.79	(\$2.46)	-36%
Other	\$1.90	\$2.60	\$3.20	(\$1.30)	-41%
Total Cost	\$62.90	\$72.85	\$80.83	(\$17.93)	-22%
Net Return to Management	(\$0.93)	(\$10.84)	(\$26.89)	\$25.96	

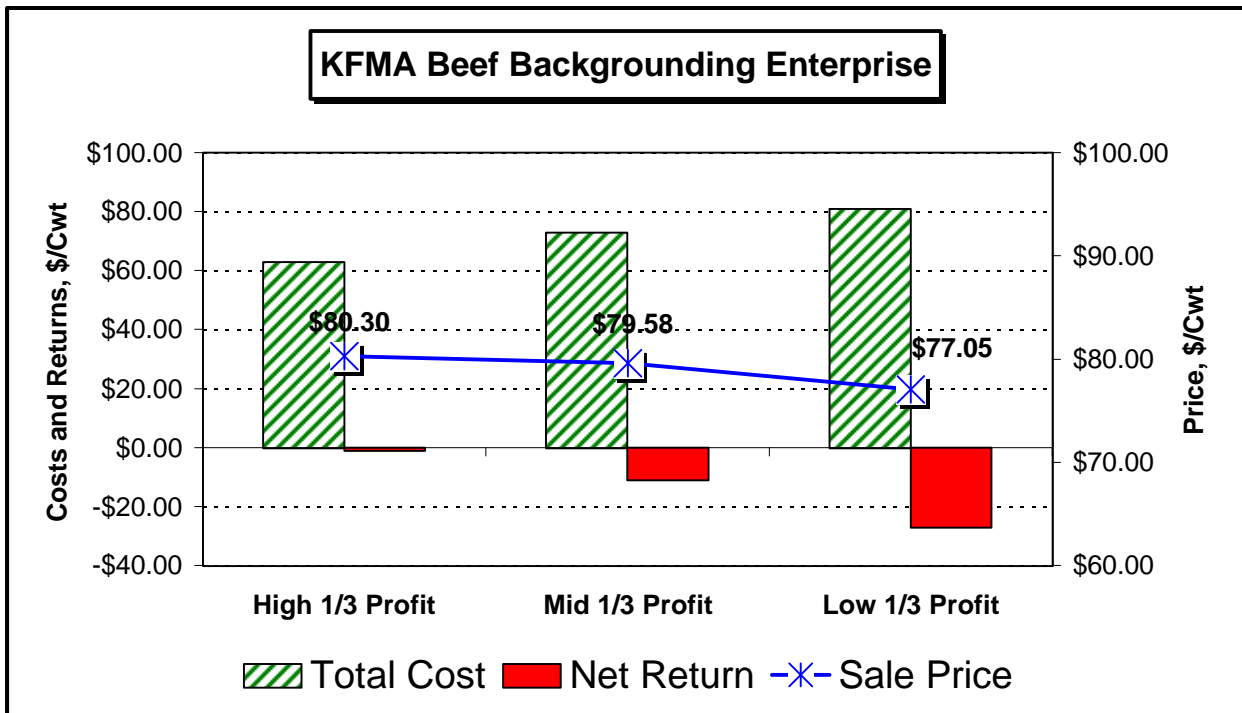


Table 11. Comparison of High, Mid, and Low Profit Crop Enterprises, 1999-2001^a

	Enterprise Acres			Yield		
	High 1/3	Mid 1/3	Low 1/3	High 1/3	Mid 1/3	Low 1/3
Nonirrigated Wheat	683	589	360	43.7	41.2	39.8
Irrigated Wheat	209	338	140	55.9	54.3	55.2
Nonirrigated Grain Sorghum	365	299	214	76.0	71.8	63.0
Nonirrigated Corn	309	306	216	111.6	96.1	94.2
Irrigated Corn	472	449	371	186.7	176.1	177.2
Nonirrigated Soybeans	404	344	283	30.2	26.2	25.1
Nonirrigated Alfalfa	106	182	139	4.0	3.0	3.0

	Price			Gross Income		
	High 1/3	Mid 1/3	Low 1/3	High 1/3	Mid 1/3	Low 1/3
Nonirrigated Wheat	\$2.56	\$2.53	\$2.55	\$130.68	\$122.59	\$124.97
Irrigated Wheat	\$2.43	\$2.53	\$2.51	\$140.90	\$160.31	\$167.12
Nonirrigated Grain Sorghum	\$1.86	\$1.71	\$1.69	\$147.44	\$134.73	\$133.58
Nonirrigated Corn	\$1.92	\$1.90	\$1.83	\$213.78	\$196.65	\$194.40
Irrigated Corn	\$1.99	\$1.95	\$2.08	\$402.98	\$387.67	\$407.55
Nonirrigated Soybeans	\$4.39	\$4.37	\$4.40	\$158.97	\$143.97	\$139.45
Nonirrigated Alfalfa	\$66.80	\$64.84	\$66.55	\$272.99	\$193.34	\$193.46

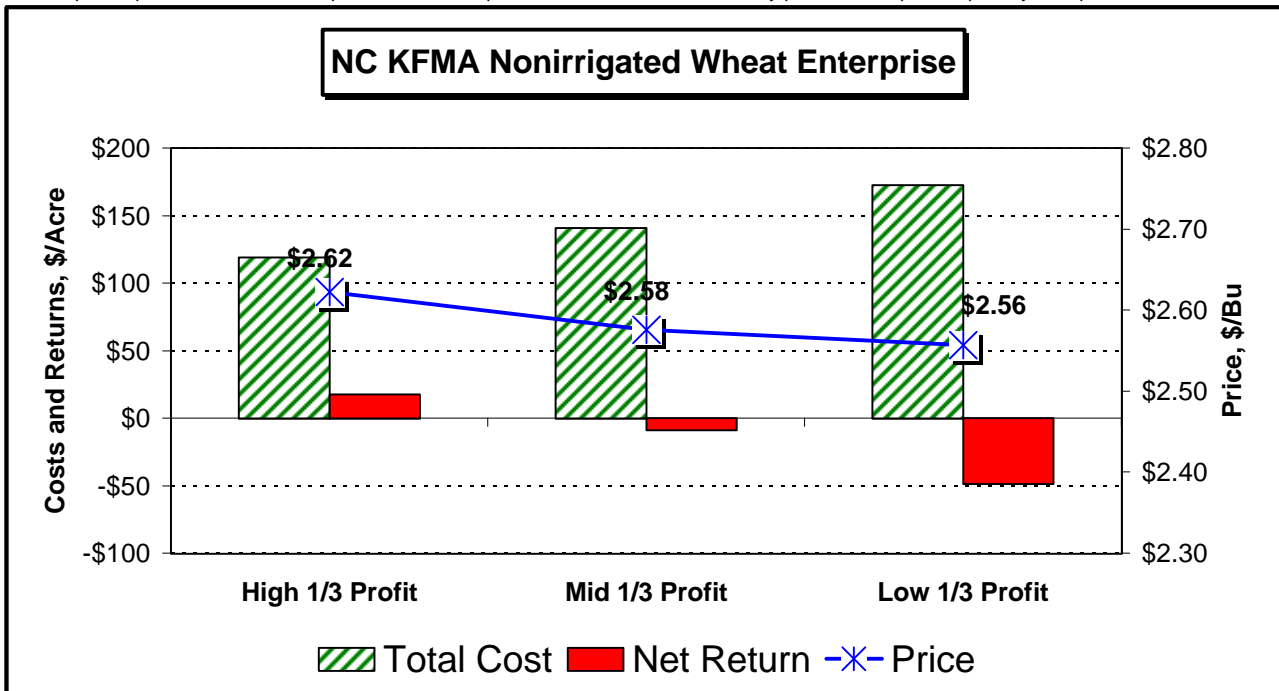
	Total Cost			Profit		
	High 1/3	Mid 1/3	Low 1/3	High 1/3	Mid 1/3	Low 1/3
Nonirrigated Wheat	\$103.84	\$124.93	\$167.91	\$26.84	(\$2.34)	(\$42.94)
Irrigated Wheat	\$109.47	\$172.19	\$214.39	\$31.43	(\$11.88)	(\$47.27)
Nonirrigated Grain Sorghum	\$129.16	\$148.96	\$202.55	\$18.28	(\$14.23)	(\$68.97)
Nonirrigated Corn	\$196.08	\$219.90	\$277.19	\$17.70	(\$23.25)	(\$82.79)
Irrigated Corn	\$334.45	\$378.38	\$467.32	\$68.53	\$9.29	(\$59.77)
Nonirrigated Soybeans	\$140.21	\$157.37	\$196.51	\$18.76	(\$13.40)	(\$57.06)
Nonirrigated Alfalfa	\$159.23	\$148.79	\$224.76	\$113.76	\$44.55	(\$31.30)

^a Shaded areas indicate the "best" (high or low) for the category.

North Central Kansas Farm Management Association
Nonirrigated Wheat Enterprise Sorted by Net Return to Management per Acre, 1999-2001

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	43	42	42		
Percent of Total Crop Acres	47.8%	44.8%	38.1%	9.6%	25.3%
Enterprise Acres	594	494	280	314	112%
Owned Acres	140	175	91	49	54%
Rented Acres	453	318	189	265	140%
Percent of Enterprise Acres Rented	76.3%	64.4%	67.4%	9.0%	13%
Yield per Acre	46.0	45.2	41.1	4.9	12%
Operator Percentage	80.4%	81.6%	82.5%	-2.1%	-3%
Price per bushel	\$2.62	\$2.58	\$2.56	\$0.07	3%
INCOME:					
Crop Income	\$96.58	\$94.79	\$87.12	\$9.46	11%
Government Payments	\$36.26	\$35.30	\$33.33	\$2.93	9%
Other Income	\$3.74	\$2.33	\$3.61	\$0.14	4%
Gross Income	\$136.58	\$132.42	\$124.06	\$12.52	10%
COSTS:					
Seed	\$4.16	\$4.18	\$6.68	(\$2.52)	-38%
Fertilizer	\$16.19	\$18.35	\$21.23	(\$5.04)	-24%
Herbicide-Insecticide	\$2.86	\$3.30	\$3.40	(\$0.54)	-16%
Crop Insurance	\$2.89	\$3.01	\$3.32	(\$0.43)	-13%
General Machinery Repair	\$10.54	\$13.30	\$16.72	(\$6.18)	-37%
Machine Hire	\$3.57	\$3.58	\$4.69	(\$1.13)	-24%
Gas, Fuel, and Oil	\$7.10	\$7.52	\$9.05	(\$1.95)	-22%
Depreciation	\$13.76	\$13.68	\$13.75	\$0.00	0%
Machinery Sub-total	\$34.97	\$38.08	\$44.22	(\$9.25)	-21%
Labor	\$23.12	\$29.34	\$42.73	(\$19.61)	-46%
Other	\$6.79	\$8.99	\$13.63	(\$6.84)	-50%
Land	\$17.05	\$21.69	\$20.97	(\$3.91)	-19%
Interest	\$10.97	\$13.90	\$16.25	(\$5.28)	-32%
Total Cost	\$118.99	\$140.84	\$172.42	(\$53.42)	-31%
Net Return to Management	\$17.58	(\$8.42)	(\$48.36)	\$65.95	

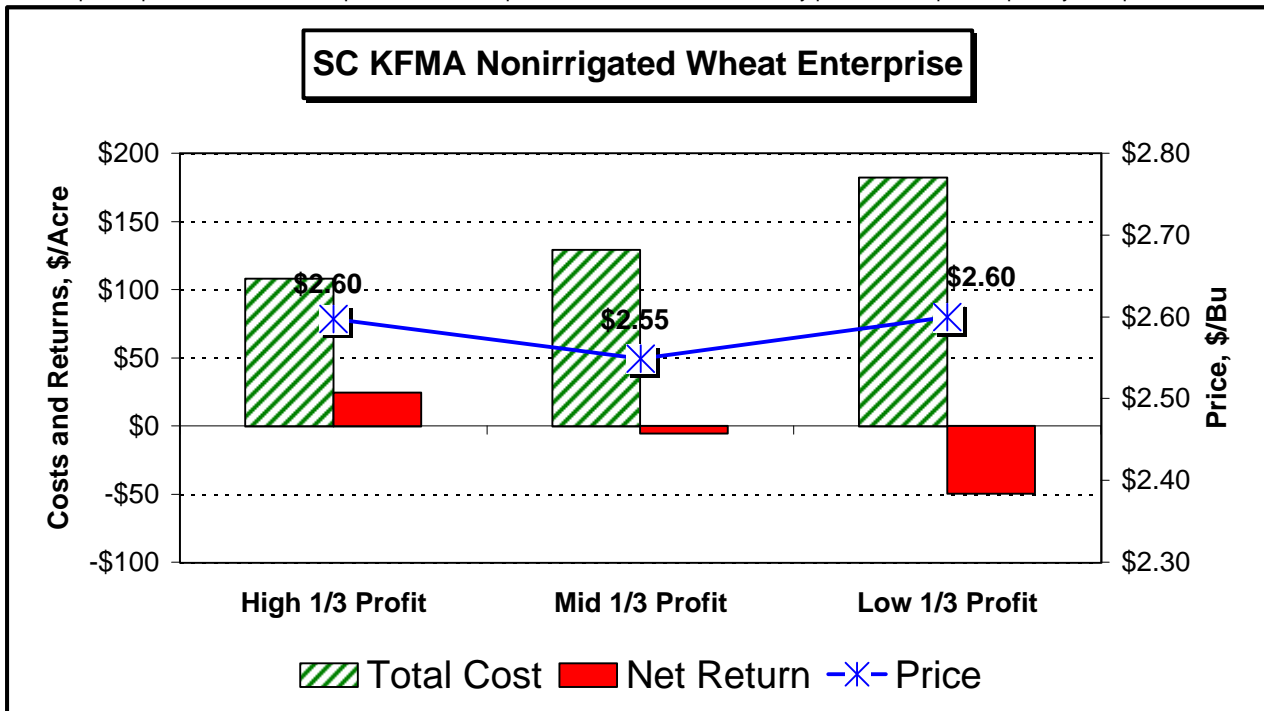
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



South Central Kansas Farm Management Association
Nonirrigated Wheat Enterprise Sorted by Net Return to Management per Acre, 1999-2001

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	24	24	24		
Percent of Total Crop Acres	50%	63%	59%	-10%	-16%
Enterprise Acres	902	851	541	361	67%
Owned Acres	151	172	186	(36)	-19%
Rented Acres	751	679	355	396	112%
Yield per Acre	46.8	42.9	40.4	6.4	16%
Operator Percentage	73.5%	74.4%	79.2%	-5.8%	-7%
Price per bushel	\$2.60	\$2.55	\$2.60	(\$0.00)	0%
INCOME:					
Crop Income	\$89.01	\$81.18	\$82.20	\$6.80	8%
Government Payments	\$36.79	\$33.57	\$37.15	(\$0.35)	-1%
Other Income	\$6.83	\$9.28	\$13.82	(\$6.99)	-51%
Gross Income	\$132.63	\$124.03	\$133.17	(\$0.54)	0%
COSTS:					
Seed	\$5.29	\$6.03	\$8.36	(\$3.07)	-37%
Fertilizer	\$14.37	\$14.88	\$18.90	(\$4.52)	-24%
Herbicide-Insecticide	\$6.83	\$5.32	\$8.22	(\$1.39)	-17%
Crop Insurance	\$1.47	\$2.29	\$3.06	(\$1.59)	-52%
General Machinery Repair	\$10.53	\$13.67	\$18.40	(\$7.87)	-43%
Machine Hire	\$2.07	\$4.49	\$8.16	(\$6.09)	-75%
Gas, Fuel, and Oil	\$6.09	\$7.22	\$9.37	(\$3.27)	-35%
Depreciation	\$12.90	\$15.06	\$17.97	(\$5.07)	-28%
Machinery Sub-total	\$31.59	\$40.43	\$53.90	(\$22.31)	-41%
Labor	\$21.30	\$26.14	\$43.12	(\$21.82)	-51%
Other	\$5.49	\$6.39	\$10.25	(\$4.76)	-46%
Land	\$12.26	\$13.85	\$21.21	(\$8.95)	-42%
Interest	\$9.53	\$13.77	\$15.35	(\$5.82)	-38%
Total Cost	\$108.13	\$129.11	\$182.36	(\$74.23)	-41%
Net Return to Management	\$24.50	(\$5.08)	(\$49.19)	\$73.69	

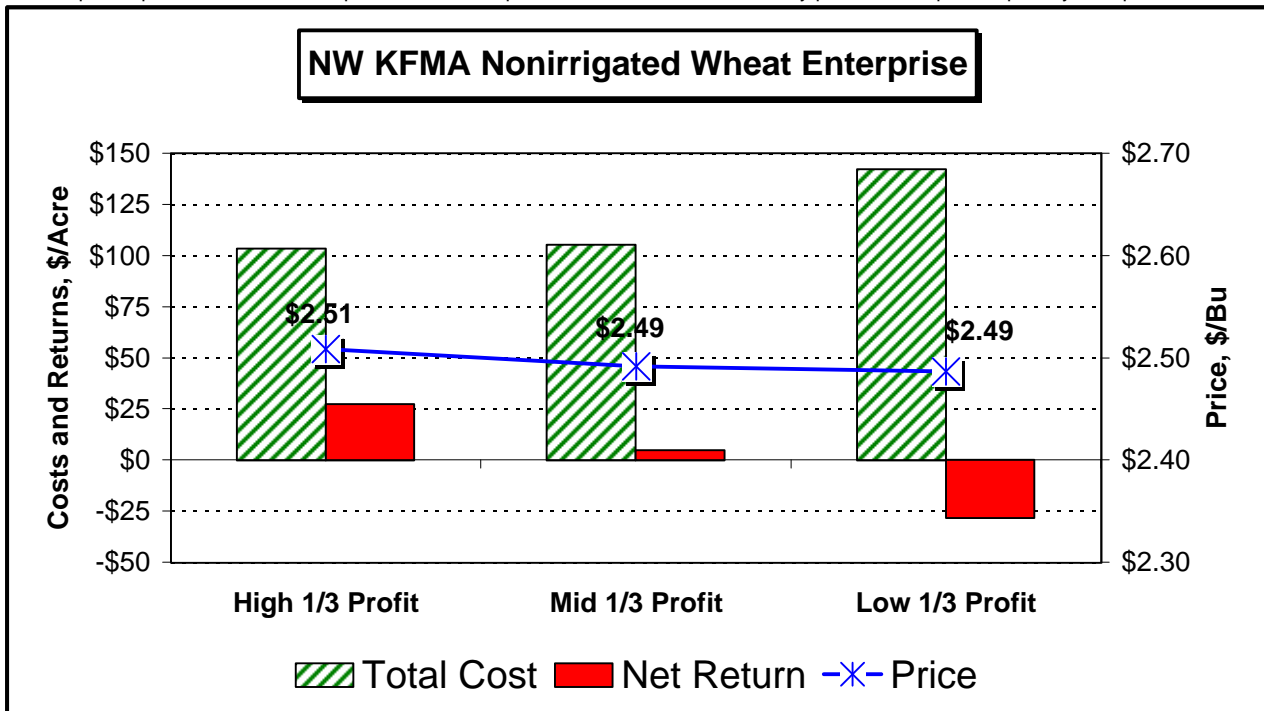
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



Northwest Kansas Farm Management Association
Nonirrigated Wheat Enterprise Sorted by Net Return to Management per Acre, 1999-2001

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	30	30	30		
Percent of Total Crop Acres	32%	32%	28%	4%	12%
Enterprise Acres	698	644	418	279	67%
Owned Acres	183	180	142	41	29%
Rented Acres	515	465	276	239	86%
Yield per Acre	42.3	35.0	35.3	7.0	20%
Operator Percentage	78.8%	78.5%	81.2%	-2.4%	-3%
Price per bushel	\$2.51	\$2.49	\$2.49	\$0.02	1%
INCOME:					
Crop Income	\$81.44	\$67.01	\$69.11	\$12.33	18%
Government Payments	\$37.95	\$33.63	\$35.63	\$2.31	6%
Other Income	\$11.25	\$9.28	\$9.26	\$1.99	21%
Gross Income	\$130.64	\$109.91	\$114.01	\$16.63	15%
COSTS:					
Seed	\$4.49	\$4.22	\$4.37	\$0.12	3%
Fertilizer	\$11.33	\$9.24	\$12.15	(\$0.82)	-7%
Herbicide-Insecticide	\$2.93	\$3.87	\$3.41	(\$0.48)	-14%
Crop Insurance	\$3.43	\$3.92	\$4.80	(\$1.38)	-29%
General Machinery Repair	\$8.85	\$10.89	\$14.80	(\$5.94)	-40%
Machine Hire	\$8.63	\$7.99	\$9.81	(\$1.18)	-12%
Gas, Fuel, and Oil	\$6.26	\$6.72	\$8.66	(\$2.40)	-28%
Depreciation	\$10.99	\$12.19	\$17.75	(\$6.76)	-38%
Machinery Sub-total	\$34.74	\$37.80	\$51.02	(\$16.28)	-32%
Labor	\$17.40	\$19.82	\$28.58	(\$11.17)	-39%
Other	\$5.97	\$5.77	\$7.77	(\$1.80)	-23%
Land	\$13.08	\$10.89	\$14.18	(\$1.10)	-8%
Interest	\$9.99	\$9.76	\$15.76	(\$5.77)	-37%
Total Cost	\$103.36	\$105.29	\$142.04	(\$38.68)	-27%
Net Return to Management	\$27.29	\$4.62	(\$28.03)	\$55.32	

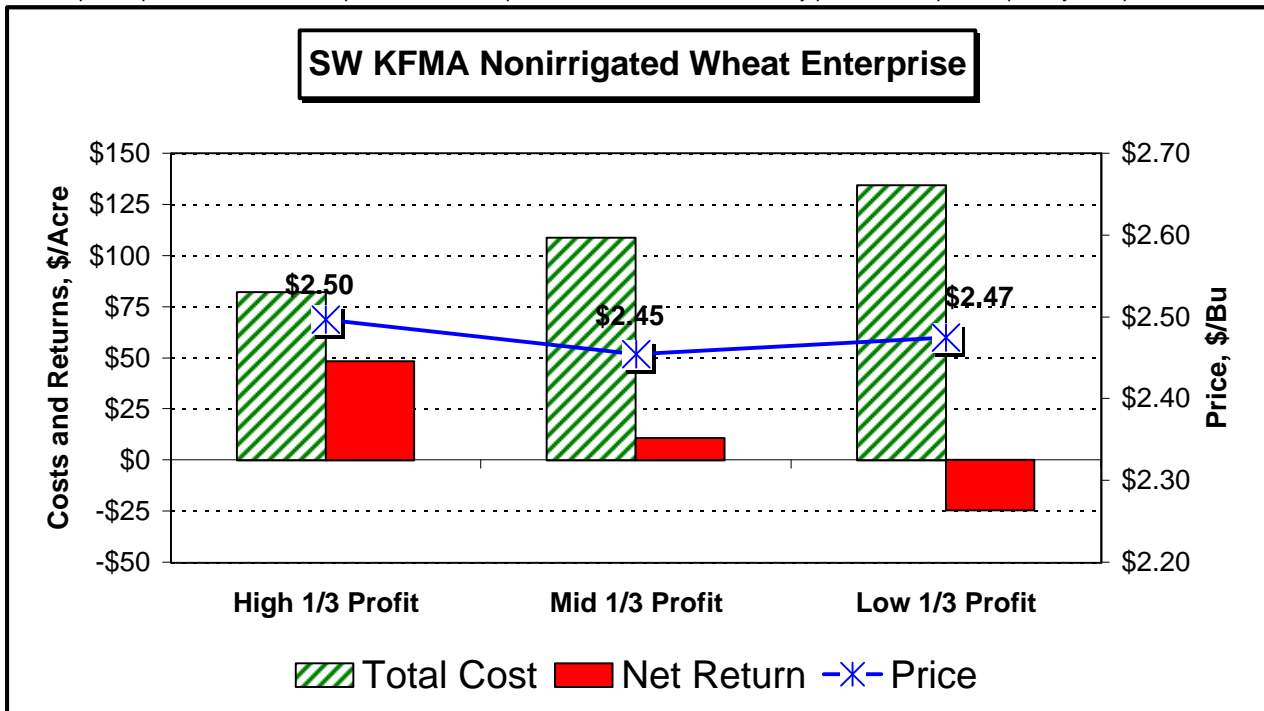
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



Southwest Kansas Farm Management Association
Nonirrigated Wheat Enterprise Sorted by Net Return to Management per Acre, 1999-2001

	Profit Category			Difference between	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	High 1/3 and Low 1/3 Absolute	%
Number of Farms	19	19	18		
Percent of Total Crop Acres	26%	27%	37%	-11%	-30%
Enterprise Acres	554	630	580	(27)	-5%
Owned Acres	77	139	130	(53)	-41%
Rented Acres	476	491	450	26	6%
Yield per Acre	41.7	39.1	36.7	4.9	13%
Operator Percentage	73.0%	77.2%	76.2%	-3.2%	-4%
Price per bushel	\$2.50	\$2.45	\$2.47	\$0.02	1%
INCOME:					
Crop Income	\$74.56	\$72.60	\$68.18	\$6.39	9%
Government Payments	\$44.52	\$38.32	\$35.18	\$9.34	27%
Other Income	\$11.27	\$8.32	\$6.75	\$4.52	67%
Gross Income	\$130.35	\$119.24	\$110.10	\$20.25	18%
COSTS:					
Seed	\$2.76	\$3.14	\$3.28	(\$0.51)	-16%
Fertilizer	\$7.92	\$7.68	\$9.85	(\$1.93)	-20%
Herbicide-Insecticide	\$5.60	\$8.73	\$7.19	(\$1.59)	-22%
Crop Insurance	\$3.43	\$3.25	\$2.65	\$0.78	29%
General Machinery Repair	\$7.86	\$9.60	\$15.30	(\$7.44)	-49%
Machine Hire	\$8.04	\$12.58	\$12.13	(\$4.09)	-34%
Gas, Fuel, and Oil	\$4.54	\$5.69	\$6.40	(\$1.86)	-29%
Depreciation	\$9.01	\$10.65	\$20.50	(\$11.49)	-56%
Machinery Sub-total	\$29.45	\$38.52	\$54.33	(\$24.89)	-46%
Labor	\$11.12	\$18.06	\$23.84	(\$12.72)	-53%
Other	\$7.34	\$9.29	\$9.48	(\$2.14)	-23%
Land	\$7.11	\$11.21	\$11.58	(\$4.48)	-39%
Interest	\$7.33	\$8.67	\$12.25	(\$4.92)	-40%
Total Cost	\$82.06	\$108.54	\$134.47	(\$52.41)	-39%
Net Return to Management	\$48.29	\$10.70	(\$24.36)	\$72.66	

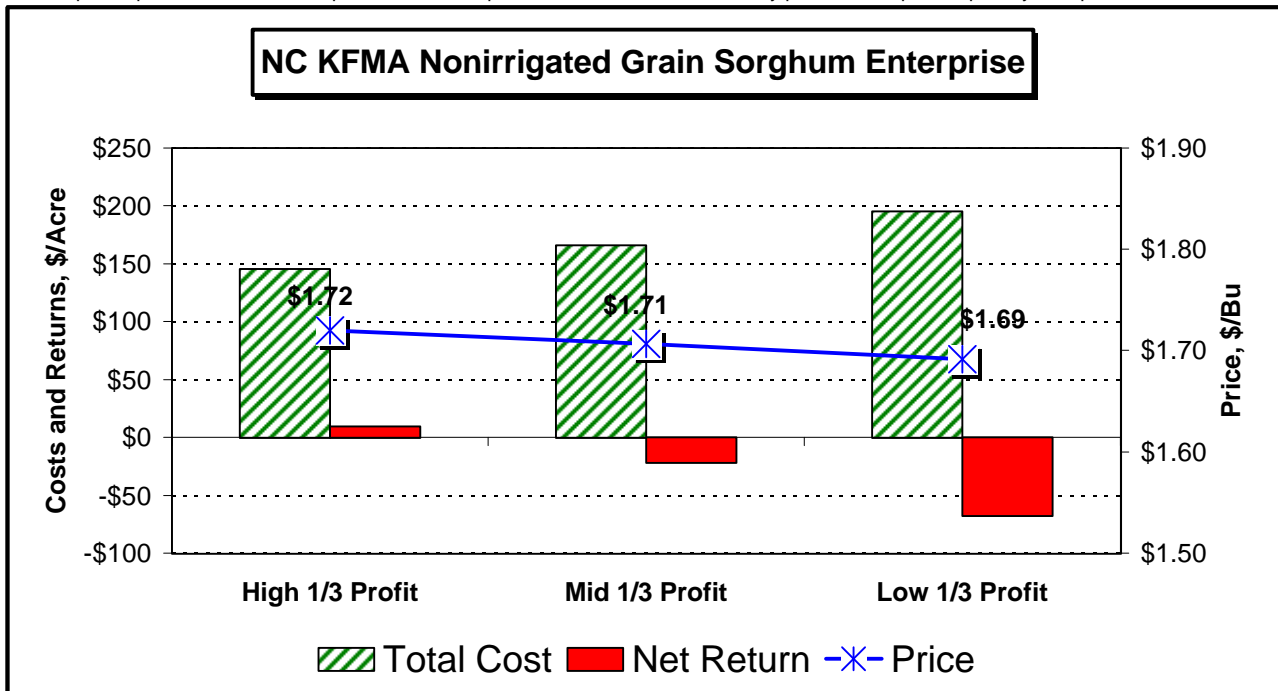
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



North Central Kansas Farm Management Association
Nonirrigated Grain Sorghum Enterprise Sorted by Net Return to Management per Acre, 1999-01

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	35	34	34		
Percent of Total Crop Acres	22.7%	24.9%	20.6%	2.1%	10.4%
Enterprise Acres	275	266	161	114	71%
Owned Acres	57	94	72	(15)	-21%
Rented Acres	218	172	89	129	144%
Percent of Enterprise Acres Rented	79.3%	64.6%	55.4%	23.9%	43%
Yield per Acre	83.1	74.3	62.6	20.5	33%
Operator Percentage	79.4%	82.2%	86.4%	-7.0%	-8%
Price per bushel	\$1.72	\$1.71	\$1.69	\$0.03	2%
INCOME:					
Crop Income	\$111.73	\$103.50	\$89.93	\$21.80	24%
Government Payments	\$37.25	\$36.30	\$33.25	\$4.00	12%
Other Income	\$5.76	\$4.92	\$4.35	\$1.41	32%
Gross Income	\$154.74	\$144.72	\$127.53	\$27.21	21%
COSTS:					
Seed	\$8.81	\$7.88	\$9.11	(\$0.30)	-3%
Fertilizer	\$20.48	\$22.36	\$22.07	(\$1.59)	-7%
Herbicide-Insecticide	\$19.21	\$24.54	\$22.99	(\$3.78)	-16%
Crop Insurance	\$2.85	\$2.95	\$3.30	(\$0.44)	-13%
General Machinery Repair	\$10.56	\$11.27	\$17.70	(\$7.14)	-40%
Machine Hire	\$4.01	\$2.51	\$3.18	\$0.83	26%
Gas, Fuel, and Oil	\$7.28	\$6.82	\$8.91	(\$1.63)	-18%
Depreciation	\$12.62	\$13.72	\$17.54	(\$4.92)	-28%
Machinery Sub-total	\$34.47	\$34.31	\$47.33	(\$12.85)	-27%
Labor	\$24.15	\$27.99	\$39.15	(\$14.99)	-38%
Other	\$6.73	\$8.33	\$12.81	(\$6.08)	-47%
Land	\$17.09	\$22.57	\$22.95	(\$5.86)	-26%
Interest	\$11.59	\$14.99	\$15.44	(\$3.85)	-25%
Total Cost	\$145.39	\$165.93	\$195.14	(\$49.75)	-25%
Net Return to Management	\$9.35	(\$21.21)	(\$67.61)	\$76.96	

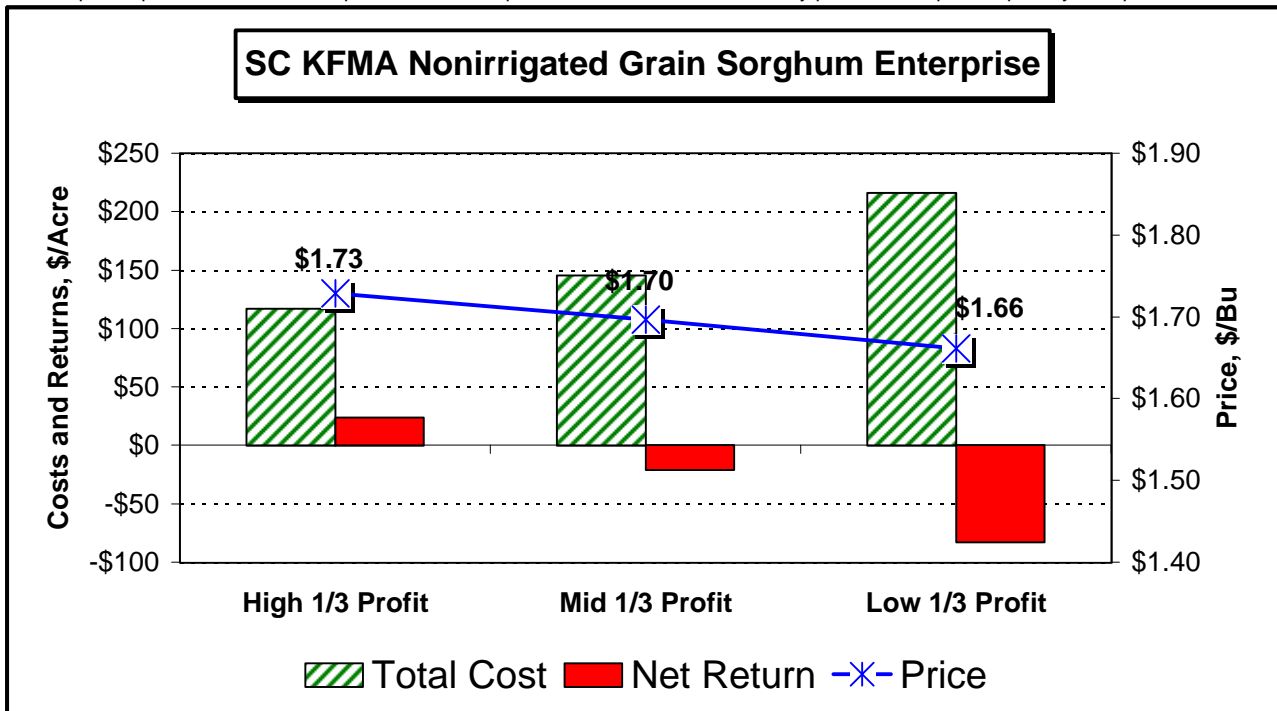
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



South Central Kansas Farm Management Association
Nonirrigated Grain Sorghum Enterprise Sorted by Net Return to Management per Acre, 1999-01

	Profit Category			Difference between	
	High 1/3	Mid 1/3	Low 1/3	High 1/3 and Low 1/3	
	Per Acre	Per Acre	Per Acre	Absolute	%
Number of Farms	19	19	18		
Percent of Total Crop Acres	28%	28%	23%	5%	23%
Enterprise Acres	535	437	247	288	116%
Owned Acres	75	58	82	(6)	-8%
Rented Acres	460	380	166	294	178%
Yield per Acre	73.0	66.4	54.1	18.8	35%
Operator Percentage	76.0%	73.1%	80.6%	-4.6%	-6%
Price per bushel	\$1.73	\$1.70	\$1.66	\$0.07	4%
INCOME:					
Crop Income	\$94.90	\$80.18	\$71.42	\$23.49	33%
Government Payments	\$39.14	\$33.75	\$45.73	(\$6.58)	-14%
Other Income	\$6.63	\$10.88	\$16.64	(\$10.00)	-60%
Gross Income	\$140.68	\$124.81	\$133.78	\$6.90	5%
COSTS:					
Seed	\$7.00	\$9.12	\$11.48	(\$4.48)	-39%
Fertilizer	\$16.31	\$19.00	\$25.59	(\$9.28)	-36%
Herbicide-Insecticide	\$13.80	\$15.96	\$14.04	(\$0.23)	-2%
Crop Insurance	\$1.35	\$2.33	\$3.28	(\$1.92)	-59%
General Machinery Repair	\$9.78	\$11.83	\$18.42	(\$8.64)	-47%
Machine Hire	\$2.56	\$5.06	\$7.09	(\$4.53)	-64%
Gas, Fuel, and Oil	\$5.80	\$6.17	\$10.04	(\$4.25)	-42%
Depreciation	\$13.54	\$15.56	\$22.00	(\$8.47)	-38%
Machinery Sub-total	\$31.67	\$38.61	\$57.56	(\$25.88)	-45%
Labor	\$19.36	\$27.12	\$44.35	(\$25.00)	-56%
Other	\$5.01	\$7.82	\$11.54	(\$6.53)	-57%
Land	\$11.76	\$13.21	\$23.80	(\$12.04)	-51%
Interest	\$10.66	\$12.17	\$24.42	(\$13.76)	-56%
Total Cost	\$116.93	\$145.34	\$216.06	(\$99.13)	-46%
Net Return to Management	\$23.75	(\$20.52)	(\$82.28)	\$106.03	

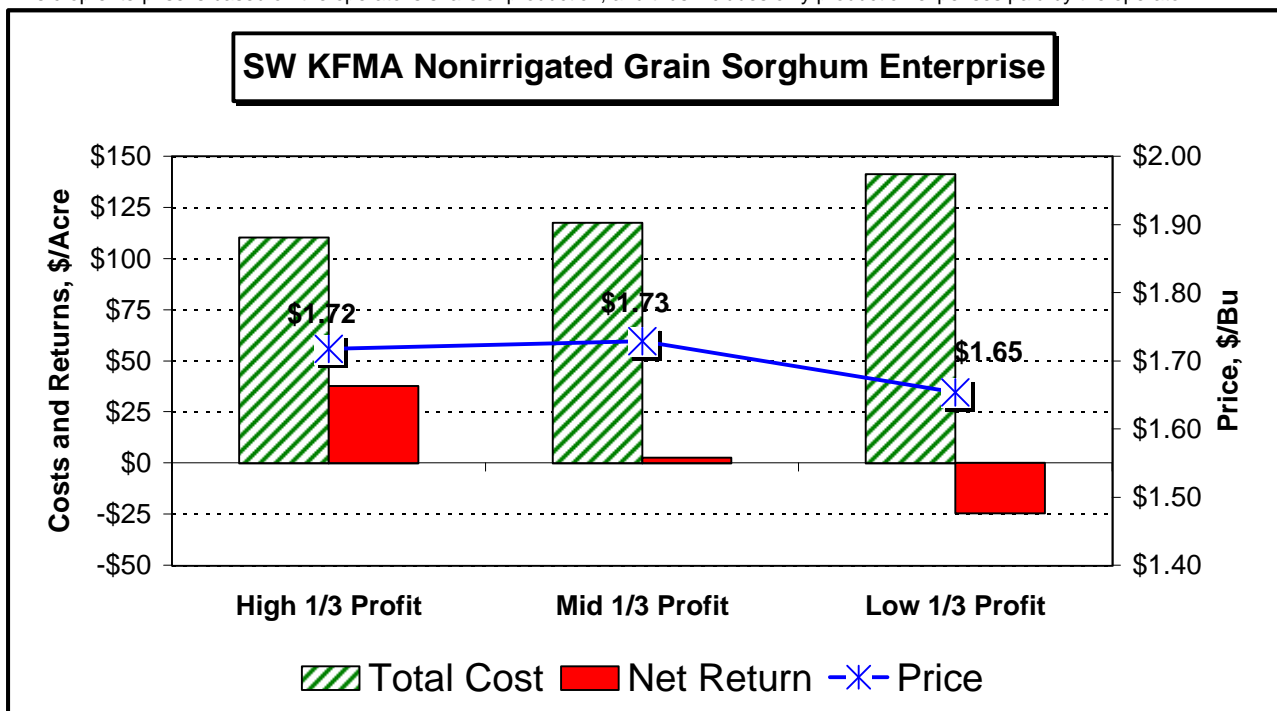
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



Southwest Kansas Farm Management Association
Nonirrigated Grain Sorghum Enterprise Sorted by Net Return to Management per Acre, 1999-01

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	12	12	12		
Percent of Total Crop Acres	15%	16%	18%	-3%	-17%
Enterprise Acres	359	307	374	(15)	-4%
Owned Acres	41	53	95	(54)	-56%
Rented Acres	318	254	279	39	14%
Yield per Acre	74.4	54.3	49.1	25.3	52%
Operator Percentage	73.0%	74.6%	80.3%	-7.4%	-9%
Price per bushel	\$1.72	\$1.73	\$1.65	\$0.06	4%
INCOME:					
Crop Income	\$91.73	\$70.93	\$65.16	\$26.58	41%
Government Payments	\$48.80	\$42.93	\$41.82	\$6.98	17%
Other Income	\$7.10	\$5.99	\$10.05	(\$2.95)	-29%
Gross Income	\$147.63	\$119.85	\$117.02	\$30.61	26%
COSTS:					
Seed	\$4.33	\$3.73	\$4.42	(\$0.09)	-2%
Fertilizer	\$6.52	\$11.09	\$13.78	(\$7.27)	-53%
Herbicide-Insecticide	\$8.67	\$15.10	\$14.43	(\$5.76)	-40%
Crop Insurance	\$2.09	\$2.38	\$2.94	(\$0.86)	-29%
General Machinery Repair	\$11.77	\$12.03	\$15.33	(\$3.57)	-23%
Machine Hire	\$16.74	\$10.41	\$12.54	\$4.20	33%
Gas, Fuel, and Oil	\$6.33	\$5.47	\$7.75	(\$1.42)	-18%
Depreciation	\$10.48	\$12.03	\$15.93	(\$5.45)	-34%
Machinery Sub-total	\$45.31	\$39.94	\$51.56	(\$6.24)	-12%
Labor	\$15.38	\$18.67	\$16.19	(\$0.81)	-5%
Other	\$9.92	\$8.57	\$10.38	(\$0.47)	-4%
Land	\$8.84	\$9.30	\$14.88	(\$6.04)	-41%
Interest	\$9.06	\$8.57	\$12.75	(\$3.68)	-29%
Total Cost	\$110.12	\$117.35	\$141.35	(\$31.22)	-22%
Net Return to Management	\$37.51	\$2.51	(\$24.32)	\$61.83	

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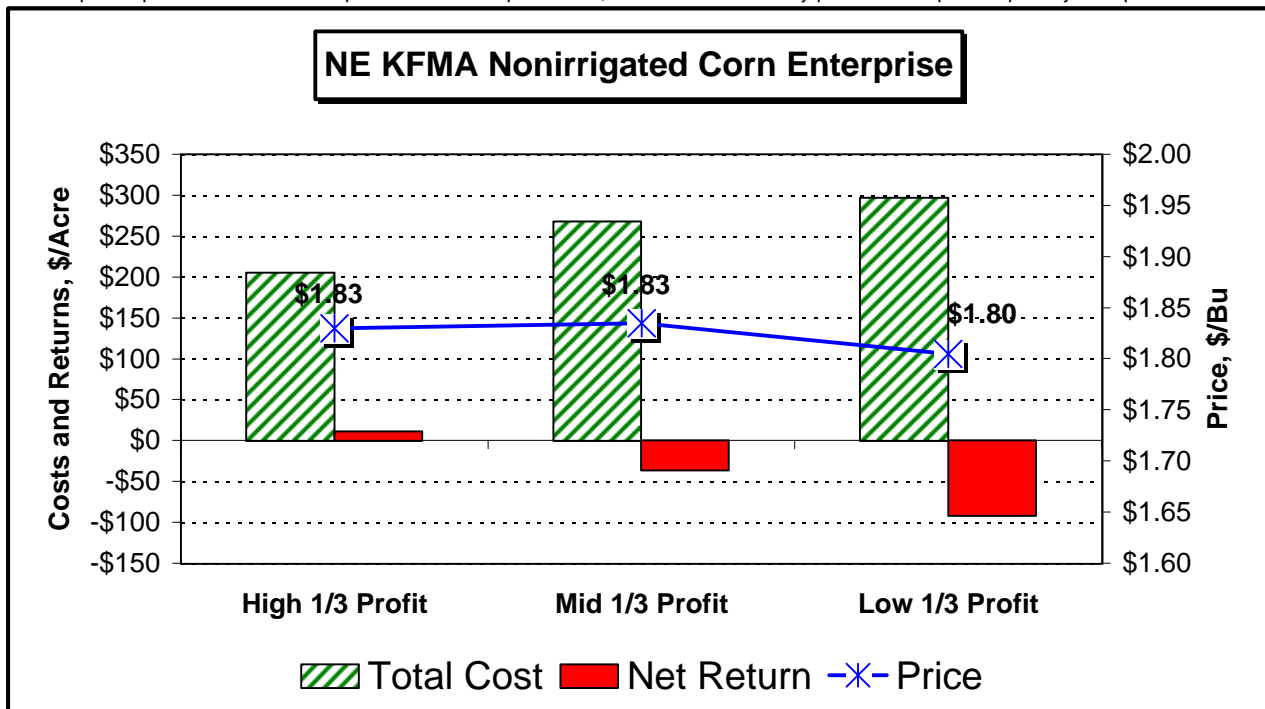


Northeast Kansas Farm Management Association

Nonirrigated Corn Enterprise Sorted by Net Return to Management per Acre, 1999-2001

	Profit Category			Difference between	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	High 1/3 and Low 1/3 Absolute	%
Number of Farms	19	19	19		
Percent of Total Crop Acres	0%	28%	30%	-30%	-100%
Enterprise Acres	387	291	203	184	91%
Owned Acres	51	73	93	(42)	-45%
Rented Acres	336	219	109	227	208%
Yield per Acre	122.7	112.4	101.8	20.9	21%
Operator Percentage	67.6%	81.8%	82.4%	-14.9%	-18%
Price per bushel	\$1.83	\$1.83	\$1.80	\$0.03	1%
INCOME:					
Crop Income	\$150.69	\$169.08	\$150.87	(\$0.18)	0%
Government Payments	\$50.88	\$53.66	\$45.13	\$5.75	13%
Other Income	\$14.93	\$9.89	\$9.50	\$5.43	57%
Gross Income	\$216.50	\$232.63	\$205.49	\$11.00	5%
COSTS:					
Seed	\$24.51	\$27.84	\$27.74	(\$3.23)	-12%
Fertilizer	\$26.18	\$34.51	\$36.24	(\$10.06)	-28%
Herbicide-Insecticide	\$20.61	\$22.02	\$24.91	(\$4.31)	-17%
Crop Insurance	\$2.35	\$3.12	\$3.95	(\$1.60)	-41%
General Machinery Repair	\$16.00	\$19.52	\$21.98	(\$5.98)	-27%
Machine Hire	\$7.63	\$5.74	\$9.23	(\$1.60)	-17%
Gas, Fuel, and Oil	\$9.44	\$11.10	\$12.46	(\$3.02)	-24%
Depreciation	\$18.12	\$24.28	\$27.70	(\$9.58)	-35%
Machinery Sub-total	\$51.18	\$60.64	\$71.37	(\$20.19)	-28%
Labor	\$33.93	\$43.76	\$50.21	(\$16.27)	-32%
Other	\$7.95	\$12.63	\$13.61	(\$5.66)	-42%
Land	\$20.89	\$39.52	\$45.43	(\$24.54)	-54%
Interest	\$17.71	\$24.13	\$23.02	(\$5.32)	-23%
Total Cost	\$205.30	\$268.16	\$296.48	(\$91.18)	-31%
Net Return to Management	\$11.19	(\$35.53)	(\$90.99)	\$102.18	

This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.

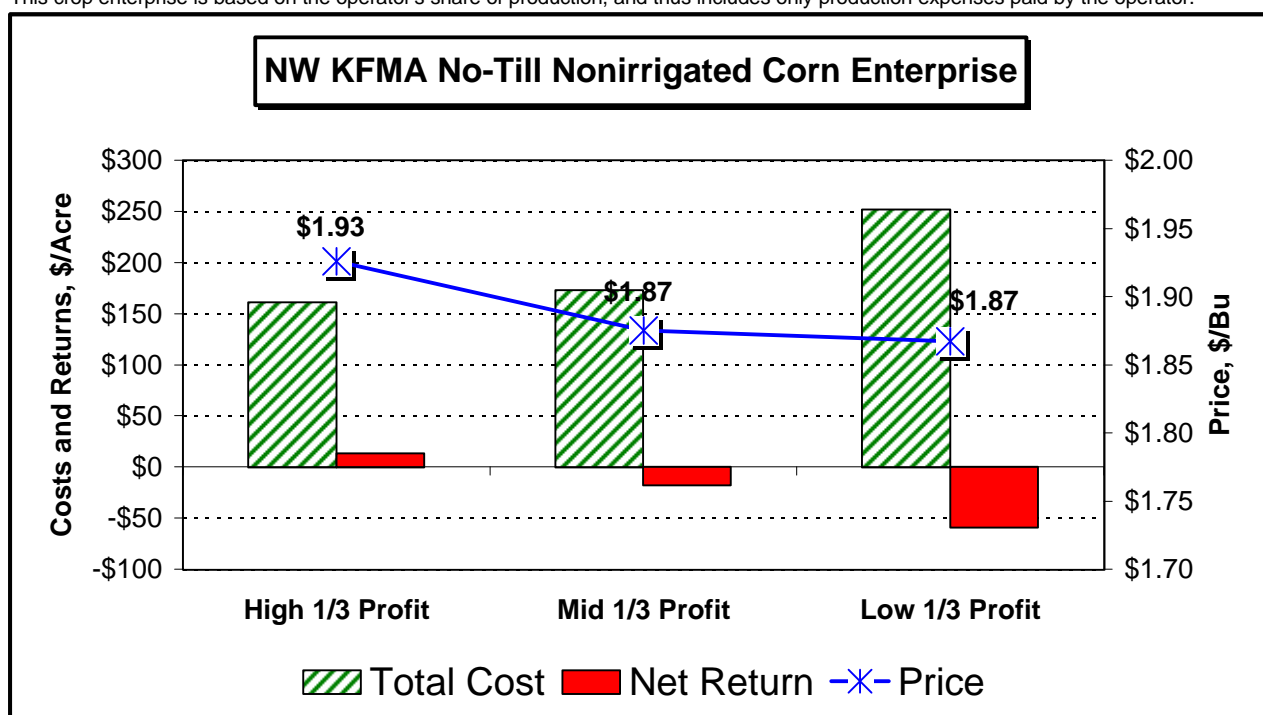


Northwest Kansas Farm Management Association

No-Till Nonirrigated Corn Enterprise Sorted by Net Return to Management per Acre, 1999-01

	Profit Category			Difference between	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	High 1/3 and Low 1/3 Absolute	%
Number of Farms	10	10	10		
Percent of Total Crop Acres	19%	15%	18%	0%	2%
Enterprise Acres	445	421	191	254	133%
Owned Acres	112	108	79	33	41%
Rented Acres	333	313	112	222	198%
Yield per Acre	75.4	67.0	80.6	(5.2)	-6%
Operator Percentage	80.0%	82.3%	87.0%	-7.0%	-8%
Price per bushel	\$1.93	\$1.87	\$1.87	\$0.06	3%
INCOME:					
Crop Income	\$113.09	\$102.33	\$131.82	(\$18.73)	-14%
Government Payments	\$43.65	\$42.85	\$53.75	(\$10.10)	-19%
Other Income	\$17.98	\$10.23	\$7.22	\$10.76	149%
Gross Income	\$174.72	\$155.41	\$192.79	(\$18.07)	-9%
COSTS:					
Seed	\$19.42	\$20.83	\$20.47	(\$1.05)	-5%
Fertilizer	\$19.59	\$22.75	\$25.80	(\$6.22)	-24%
Herbicide-Insecticide	\$33.60	\$32.21	\$44.74	(\$11.14)	-25%
Crop Insurance	\$4.44	\$3.96	\$11.28	(\$6.84)	-61%
General Machinery Repair	\$11.90	\$10.71	\$20.29	(\$8.39)	-41%
Machine Hire	\$6.63	\$11.61	\$15.52	(\$8.89)	-57%
Gas, Fuel, and Oil	\$5.07	\$5.73	\$5.23	(\$0.16)	-3%
Depreciation	\$13.86	\$11.14	\$21.99	(\$8.14)	-37%
Machinery Sub-total	\$37.46	\$39.18	\$63.03	(\$25.57)	-41%
Labor	\$11.48	\$11.62	\$13.70	(\$2.22)	-16%
Other	\$7.37	\$6.40	\$10.05	(\$2.68)	-27%
Land	\$15.70	\$21.42	\$37.05	(\$21.35)	-58%
Interest	\$12.09	\$14.30	\$25.55	(\$13.45)	-53%
Total Cost	\$161.15	\$172.67	\$251.67	(\$90.52)	-36%
Net Return to Management	\$13.57	(\$17.26)	(\$58.88)	\$72.45	

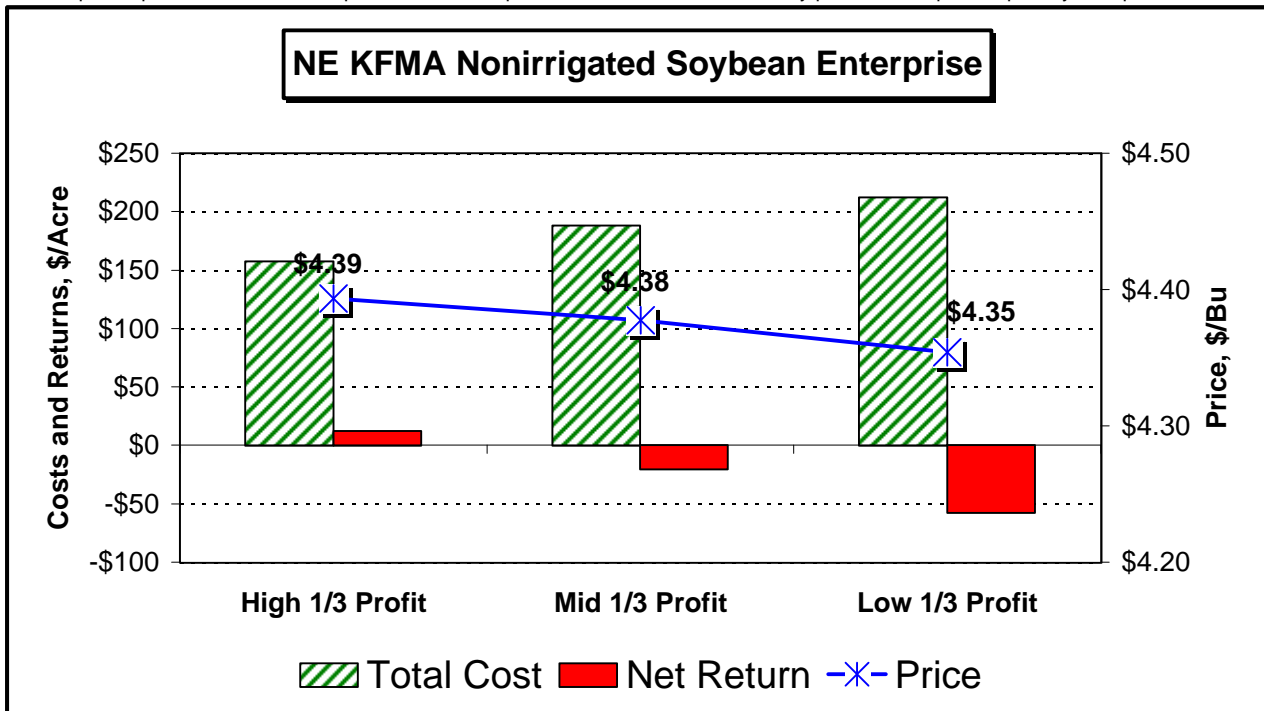
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



Northeast Kansas Farm Management Association
Nonirrigated Soybean Enterprise Sorted by Net Return to Management per Acre, 1999-2001

	Profit Category			Difference between High 1/3 and Low 1/3	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	Absolute	%
Number of Farms	22	22	22		
Percent of Total Crop Acres	44%	38%	43%	1%	3%
Enterprise Acres	540	314	307	233	76%
Owned Acres	91	73	113	(22)	-19%
Rented Acres	449	241	194	255	132%
Yield per Acre	36.2	30.7	29.1	7.1	24%
Operator Percentage	70.9%	80.6%	81.2%	-10.3%	-13%
Price per bushel	\$4.39	\$4.38	\$4.35	\$0.04	1%
INCOME:					
Crop Income	\$110.44	\$106.65	\$101.29	\$9.15	9%
Government Payments	\$45.18	\$49.58	\$44.67	\$0.51	1%
Other Income	\$14.55	\$11.69	\$9.15	\$5.40	59%
Gross Income	\$170.18	\$167.91	\$155.12	\$15.06	10%
COSTS:					
Seed	\$19.61	\$22.39	\$20.71	(\$1.10)	-5%
Fertilizer	\$1.52	\$2.60	\$1.24	\$0.28	23%
Herbicide-Insecticide	\$17.83	\$19.76	\$20.60	(\$2.77)	-13%
Crop Insurance	\$2.13	\$2.37	\$2.79	(\$0.66)	-24%
General Machinery Repair	\$15.12	\$14.86	\$18.87	(\$3.75)	-20%
Machine Hire	\$6.22	\$6.39	\$7.37	(\$1.15)	-16%
Gas, Fuel, and Oil	\$8.52	\$8.41	\$10.14	(\$1.62)	-16%
Depreciation	\$15.97	\$19.52	\$22.85	(\$6.89)	-30%
Machinery Sub-total	\$45.84	\$49.18	\$59.24	(\$13.40)	-23%
Labor	\$29.19	\$34.18	\$41.35	(\$12.16)	-29%
Other	\$7.55	\$10.49	\$11.83	(\$4.29)	-36%
Land	\$19.15	\$29.15	\$34.81	(\$15.67)	-45%
Interest	\$14.80	\$17.83	\$19.63	(\$4.83)	-25%
Total Cost	\$157.62	\$187.95	\$212.21	(\$54.59)	-26%
Net Return to Management	\$12.55	(\$20.04)	(\$57.09)	\$69.64	

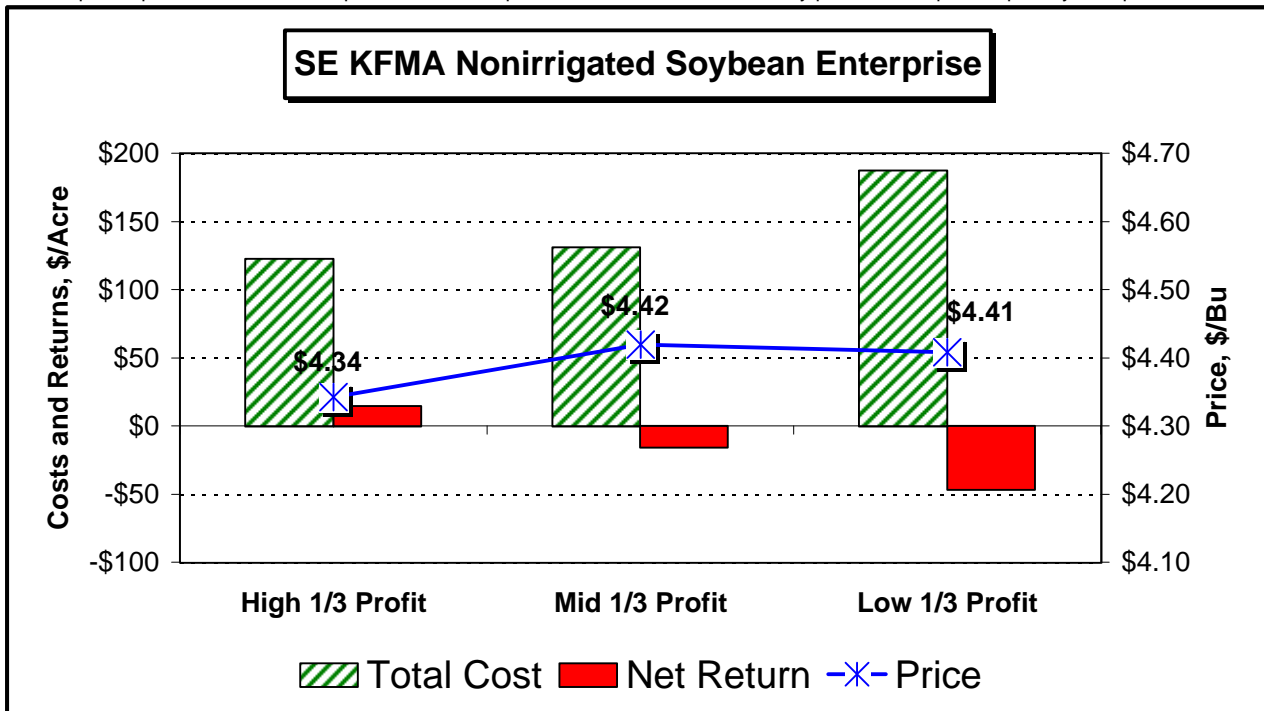
This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



Southeast Kansas Farm Management Association
Nonirrigated Soybean Enterprise Sorted by Net Return to Management per Acre, 1999-2001

	Profit Category			Difference between	
	High 1/3 Per Acre	Mid 1/3 Per Acre	Low 1/3 Per Acre	High 1/3 and Low 1/3 Absolute	%
Number of Farms	13	12	12		
Percent of Total Crop Acres	41%	47%	48%	-7%	-14%
Enterprise Acres	591	631	424	167	39%
Owned Acres	71	117	128	(58)	-45%
Rented Acres	521	514	296	225	76%
Yield per Acre	22.4	18.5	21.0	1.5	7%
Operator Percentage	76.2%	78.4%	85.1%	-8.9%	-10%
Price per bushel	\$4.34	\$4.42	\$4.41	(\$0.07)	-2%
INCOME:					
Crop Income	\$72.38	\$62.83	\$78.11	(\$5.74)	-7%
Government Payments	\$48.97	\$39.84	\$49.66	(\$0.69)	-1%
Other Income	\$16.01	\$12.98	\$13.00	\$3.01	23%
Gross Income	\$137.35	\$115.66	\$140.77	(\$3.42)	-2%
COSTS:					
Seed	\$13.94	\$15.82	\$16.67	(\$2.73)	-16%
Fertilizer	\$2.03	\$3.63	\$3.61	(\$1.57)	-44%
Herbicide-Insecticide	\$16.71	\$15.47	\$16.61	\$0.10	1%
Crop Insurance	\$3.09	\$2.19	\$2.98	\$0.11	4%
General Machinery Repair	\$10.50	\$11.62	\$21.15	(\$10.65)	-50%
Machine Hire	\$2.89	\$3.94	\$5.03	(\$2.14)	-43%
Gas, Fuel, and Oil	\$6.36	\$6.69	\$9.90	(\$3.54)	-36%
Depreciation	\$16.59	\$15.89	\$21.16	(\$4.58)	-22%
Machinery Sub-total	\$36.34	\$38.15	\$57.24	(\$20.91)	-37%
Labor	\$22.25	\$22.55	\$32.25	(\$10.00)	-31%
Other	\$7.06	\$7.45	\$14.86	(\$7.80)	-53%
Land	\$9.87	\$13.48	\$22.35	(\$12.49)	-56%
Interest	\$11.40	\$12.45	\$20.53	(\$9.14)	-44%
Total Cost	\$122.69	\$131.18	\$187.10	(\$64.42)	-34%
Net Return to Management	\$14.67	(\$15.53)	(\$46.33)	\$61.00	

This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.



North Central Kansas Farm Management Association
Nonirrigated Soybean Enterprise Sorted by Net Return to Management per Acre, 1999-2001

	Profit Category			Difference between	
	High 1/3	Mid 1/3	Low 1/3	High 1/3 and Low 1/3	
	Per Acre	Per Acre	Per Acre	Absolute	%
Number of Farms	24	24	23		
Percent of Total Crop Acres	19.1%	16.1%	14.2%	4.9%	34.2%
Enterprise Acres	248	168	136	111	82%
Owned Acres	41	63	31	10	32%
Rented Acres	207	105	105	102	96%
Percent of Enterprise Acres Rented	83.6%	62.3%	77.4%	6.2%	8%
Yield per Acre	29.0	26.1	21.9	7.1	32%
Operator Percentage	80.0%	84.3%	78.4%	1.6%	2%
Price per bushel	\$4.36	\$4.33	\$4.36	\$0.00	0%
INCOME:					
Crop Income	\$100.94	\$93.27	\$71.45	\$29.49	41%
Government Payments	\$47.85	\$47.29	\$37.24	\$10.61	28%
Other Income	\$11.37	\$7.17	\$7.14	\$4.23	59%
Gross Income	\$160.16	\$147.74	\$115.83	\$44.33	38%
COSTS:					
Seed	\$18.69	\$22.07	\$22.81	(\$4.12)	-18%
Fertilizer	\$2.18	\$4.04	\$4.29	(\$2.12)	-49%
Herbicide-Insecticide	\$17.39	\$17.52	\$20.61	(\$3.21)	-16%
Crop Insurance	\$3.63	\$3.51	\$3.46	\$0.17	5%
General Machinery Repair	\$10.88	\$12.18	\$15.69	(\$4.81)	-31%
Machine Hire	\$3.70	\$2.35	\$4.24	(\$0.54)	-13%
Gas, Fuel, and Oil	\$7.76	\$7.20	\$7.39	\$0.37	5%
Depreciation	\$13.65	\$16.30	\$14.61	(\$0.96)	-7%
Machinery Sub-total	\$35.99	\$38.04	\$41.94	(\$5.95)	-14%
Labor	\$22.06	\$28.44	\$36.30	(\$14.23)	-39%
Other	\$7.17	\$7.96	\$11.40	(\$4.23)	-37%
Land	\$17.34	\$21.07	\$13.58	\$3.76	28%
Interest	\$11.74	\$14.19	\$17.59	(\$5.85)	-33%
Total Cost	\$136.20	\$156.84	\$171.99	(\$35.79)	-21%
Net Return to Management	\$23.96	(\$9.10)	(\$56.16)	\$80.12	

This crop enterprise is based on the operator's share of production, and thus includes only production expenses paid by the operator.

