

Bulk handling of milk has been adopted by all the large producers as well as by many of the smaller dairymen. Some dealers are now requiring all producers to use the bulk method of handling milk. To buy a large bulk tank may add from \$4,000 to \$10,000 to the farmer's investment.

Some of these dairymen are organized on an enterprise basis. They have independent farming units for 2 or more of such operations as milking herd, fruit or vegetable growing, or more general farming activities such as raising alfalfa or other field crops. Any one of these activities can be disposed of without affecting the operation of others. For example, a farmer may decide to sell his milking herd of 250 cows and rent the buildings and equipment to another operator. He will still operate the fruit ranch and general farm. Later, he may again buy a milking herd and become a dairyman.

There were 2,987 farms in the area that had one or more milk cows; 1,962 or 66 percent of these farms had fewer than 50 cows per herd and they sold only 1 percent of the milk within the area (Table 73). On the other hand, the 749 farms, or 25 percent, with 100 or more cows per farm sold 90 percent of the milk. The remaining 9 percent of sales of milk was from the 276 farms with 50 to 99 milk cows per farm. This illustrates the concentration both of milk cows and milk production within the area.

Table 73.—NUMBER OF FARMS BY SIZE OF HERD AND MILK AND CREAM SOLD PER FARM, FOR THE SOUTHERN CALIFORNIA AREA: 1954

Size of herd (number of milk cows)	Number of farms	Milk cows per farm	Milk sold per farm (pounds, milk equivalent)	Cream sold per farm (pounds butterfat)	Percent distribution of milk sales
Total.....	2,987	68.0	730,394	33	100.0
1 to 19 milk cows.....	1,884	2.5	2,589	13	.2
20 to 49 milk cows.....	78	33.3	285,860	0	1.0
50 to 99 milk cows.....	276	74.8	731,417	102	9.3
100 or more milk cows.....	749	232.3	2,606,997	61	89.5

Table 74.—SOURCES OF FARM INCOME ON DAIRY FARMS, BY ECONOMIC CLASS OF FARM, FOR THE SOUTHERN CALIFORNIA AREA: 1954

Item	Economic class of farm						
	Total	I	II	III	IV	V	VI
Number of farms.....	1,101	974	54	43	20	10	.....
Gross sales—							
Per farm.....dollars..	107,035	119,305	22,134	8,197	3,857	1,740	.....
Per crop acre.....do..	1,630	1,751	357	275	83	48	.....
Percent of gross sales from dairy products.....	91	91	85	90	85	44	.....
Sales per farm:							
Milk.....dollars..	97,351	108,596	18,884	7,390	3,284	761	.....
Cattle and calves.....do..	7,782	3,630	2,071	721	560	907	.....
Hogs.....do..	19	15	117	.....	.....	.....	.....
Poultry products except eggs.....dollars..	58	63	56	.....	13	.....	.....
Eggs.....do..	162	181	36	.....	.....	.....	.....
Sheep.....do..	13	14	.....	.....	.....	.....	.....
Other livestock and livestock products.....dollars..	6	6	18	.....	.....	.....	.....
Total, livestock and livestock products.....dollars..	105,391	117,505	21,182	8,111	3,857	1,668	.....
Field crops.....do..	1,407	1,535	933	70	.....	.....	.....
Other crops.....do..	236	265	19	7	.....	72	.....
Total crops.....do..	1,643	1,800	952	86	.....	72	.....

¹ Includes horticultural and forest products.

* 1,101 of these farms were dairy farms.

The unusual organization of the dairy farms in this area is further emphasized by a study of their income and expenses (Tables 74 and 75). Not only are these herds the largest in the United States but 89 percent of the farms are concentrated in Economic Class I. Gross sales of \$107,000 per farm or \$1,630 per acre of cropland and the extent of cropland or pastureland per cow show the basic differences between these farms and those other special areas.

Table 75.—SPECIFIED FARM EXPENDITURES ON DAIRY FARMS, BY ECONOMIC CLASS OF FARM, FOR THE SOUTHERN CALIFORNIA AREA: 1954

Item	Economic class of farm						
	Total	I	II	III	IV	V	VI
Number of farms.....	1,101	974	54	43	20	10	.....
Average per farm:							
Machine hire.....dollars..	259	227	415	659	29	1,205	.....
Hired labor.....do..	15,096	16,946	1,603	612	125	15	.....
Feed.....do..	47,983	53,592	7,812	3,827	1,534	1,340	.....
Gas and oil.....do..	987	1,053	824	217	229	315	.....
Fertilizer.....do..	158	168	156	43	.....	.....	.....
Lime.....do..	(Z)	(Z)	.....	.....	.....	.....	.....
Total.....do..	64,483	71,086	10,810	5,358	1,917	2,965	.....
Average per crop acre:							
Machine hire.....do..	4	3	7	22	1	36	.....
Hired labor.....do..	230	249	26	20	3	(Z)	.....
Feed.....do..	731	786	126	128	33	37	.....
Gas and oil.....do..	15	15	13	7	5	9	.....
Fertilizer.....do..	2	2	1	.....	.....	.....	.....
Lime.....do..	(Z)	(Z)	.....	.....	.....	.....	.....
Total.....do..	982	1,055	174	178	42	82	.....

Z Less than 0.5.

Efficiency in the use of resources shows the same general relationship as that found in the other special areas even though the dairy farms are not typical by any ordinary standard (Table 76). The smaller the farm the less the returns in sales per acre of cropland, or per cow. Investment, though large, is less per cow or man-equivalent on the larger farms. Feed and labor costs are the outstanding items of expense on the larger farms, but the expense per cow looks reasonable enough—\$270 per cow for feed and \$85 for hired labor.

Table 76.—MEASURES OF INCOME AND EFFICIENCY LEVELS FOR DAIRY FARMS, BY ECONOMIC CLASS OF FARM, FOR THE SOUTHERN CALIFORNIA AREA: 1954

Item	Economic class of farm						
	Total	I	II	III	IV	V	VI
Number of farms.....	1,101	974	54	43	20	10	.....
Gross sales per farm.....dollars..	107,035	119,305	22,134	8,197	3,857	1,740	.....
Specified expenses per farm.....dollars..	64,483	71,086	10,810	5,358	1,917	2,965	.....
Gross sales less specified expenses per farm.....dollars..	42,552	47,319	11,324	2,839	1,940	-1,225	.....
Gross sales per man-equivalent.....dollars..	19,113	19,243	12,297	7,452	3,857	8,700	.....
Total investment—							
Per farm.....do..	136,502	144,695	131,802	38,531	13,161	41,461	.....
Per man-equivalent.....do..	24,375	23,720	73,223	32,109	10,968	103,652	.....
Per \$100 gross sales.....do..	128	121	596	470	337	2,439	.....
Percent of sales of dairy products from cream.....	(Z)	(Z)	.....	.....	.....	.....	.....
Milk sales per cow:							
Dollars.....	548	558	271	184	156	152	.....
Pounds (milk equivalent).....	11,112	11,279	6,258	5,168	4,479	4,496	.....

Z Less than 0.5.