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NAHMS Small Livestock Farm Characteristics



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Introduction

This report is the first in a series resulting from the Small Producer Initiative implemented by the National Animal Health Monitoring System (NAHMS) at the request of the U.S. Department of Agriculture, Animal and Plant Health Inspection Service (APHIS). The primary objective of the Small Producer Initiative is to investigate those factors which allow small producers to thrive. This report is meant solely to provide background information on small farms collected by three USDA agencies: the National Agricultural Statistics Service, the Economic Research Service and APHIS. The NAHMS Goat 2009 study will provide additional information on small operations when published in winter 2009–10.

NAHMS Small Livestock Farm Characteristics

Characteristics of Small Farms (2007)¹

- The USDA defines a small farm as a farm organized as a sole proprietorship, partnership, or family corporation with annual gross sales less than \$250,000.
 - Ninety-one percent of all U.S. farms are small;
 - Small farms supply 15 percent of all U.S. crop and animal production;
 - Small farms account for more than one-half of U.S. farmland; and
 - Over 80 percent of individual States' farms are small, with the exceptions of the grain, livestock, and poultry producing States of Delaware, Nebraska, North Dakota, South Dakota, and Iowa.

Understanding U.S. Farm Exits (1997)²

- U.S. farms leave farming at a rate of 9 to 10 percent per year, which is similar to exit rates for nonfarm small businesses.
 - Farms with operators at least 65 years old or less than 45 years old are more likely to leave farming.
 - Small farms exit proportionally more than large farms.
 - New farms exit more often than older, more established farms.

Farm Numbers (2007)³

- The total number of U.S. farms increased 4 percent from 2002 to 2007, indicating that the decline in farm numbers seen since World War II has stopped.
 - Increases in U.S. farm numbers occur among small farms selling a mix of commodities in 2007.
 - New farms tend to be smaller and have younger operators who also work off the farm.

¹ USDA:NASS, 2007 Census of Agriculture: Small Farms. Web site: http://www.agcensus.usda.gov/Publications/2007/Online_Highlights/Fact_Sheets/small_farm.pdf Accessed 10/01/2009.

² USDA:ERS. June 2006. Understanding U.S. Farm Exits. Economic Information Bulletin No. 21.

³ USDA:NASS, 2007 Census of Agriculture: Farm Numbers. Web site: http://www.agcensus.usda.gov/Publications/2007/Online_Highlights/Fact_Sheets/farm_numbers.pdf Accessed 10/01/2009.

Beef Cow-Calf

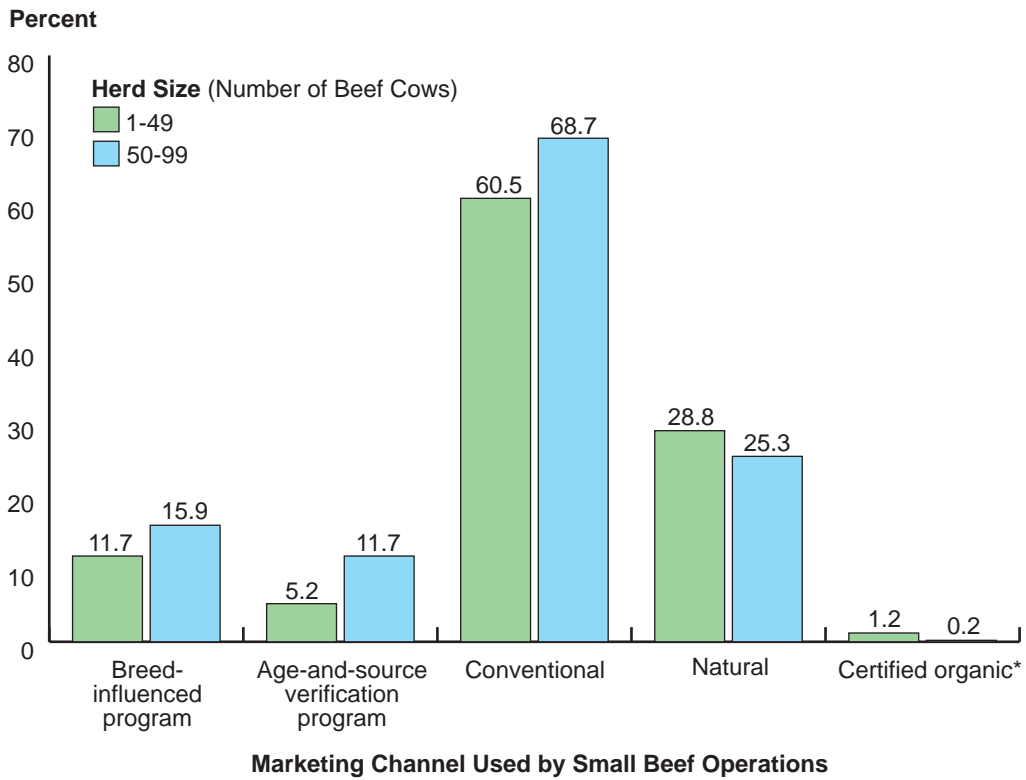
Small beef operations are defined in this report as those with fewer than 100 beef cows in inventory on October 1, 2007. If an operation had no beef cows on October 1, 2007, then the July 1, 2007, inventory was used. This size of operation represents almost one-half of the U.S. beef cow-calf inventory but 9 out of 10 beef cow-calf operations.

- Approximately three-fourths of small beef operations describe themselves as commercial cattle herds that primarily produce market cattle for eventual consumption. Less than 10 percent of small beef operations characterize themselves as seedstock herds that primarily produce cattle for breeding purposes. The remaining 15 percent represent themselves as a combination of both.
- For small beef operations with 1 to 49 beef cows and for those operations with 50 to 99 beef cows, 78.0 and 68.3 percent of operations, respectively, view income from the enterprise as supplemental. Only 5.3 and 24.1 percent, respectively, view the enterprise as a primary source of income.
- Operators of small beef operations with 1 to 49 beef cows devote on average 28.9 percent of their work time to the cow-calf enterprise, while operators with 50 to 99 beef cows devote on average 47.3 percent of their work time to the cow-calf enterprise.
- More than 8 of 10 heifers and 7 of 10 cows are raised on the small beef operations where they calved.
- Approximately three-fourths of cattle and calves on small beef operations are sent through sales or auction markets.
- Over one-half of cattle shipments from small beef operations travel distances of 10 to 49 miles to their destinations. One-sixth of shipments (16.5 percent) travel 50 to 99 miles, and one-third of shipments (32.1 percent) travel 50 or more miles.
- For beef operations with 1 to 49 beef cows, 90.5 percent of cows and 80.1 percent of heifers calved. Operations with 50 to 99 beef cows report that 91.6 percent of cows and 81.4 percent of heifers calved.
- Average weaning weights are 499 pounds for small beef operations with 1 to 49 beef cows and 536 pounds for small beef operations with 50 to 99 beef cows.
- More than one-half of small beef operations report that veterinarians are very important sources of general, breeding, and genetics information. Feed salespersons or retailers are very important sources of animal nutrition information for one-third of small beef operations.

SOURCE: NAHMS Beef 2007–08 Study, Web site:
<http://www.aphis.usda.gov/vs/ceah/ncahs/nahms/beefcowcalf/index.htm>

Beef Cow-Calf

Nearly 70 percent of small beef operations targeted conventional marketing channels to sell their calves



*Operations certified by USDA.

Dairy

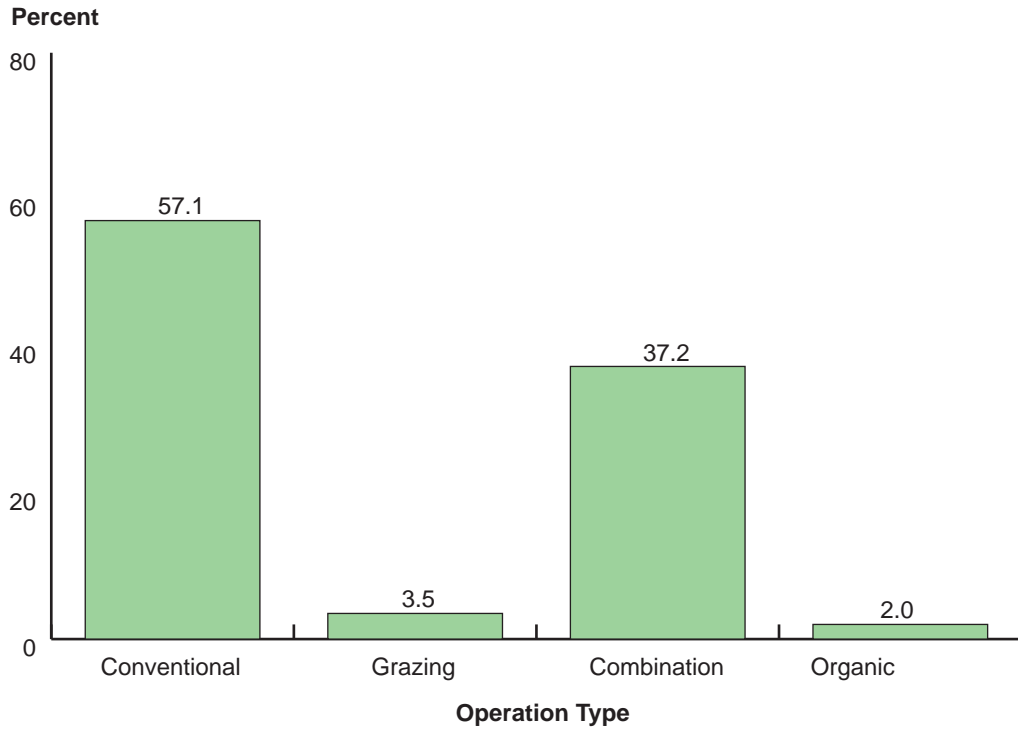
Small dairy operations are classified in this report as those with fewer than 100 dairy cows in inventory January 1, 2007. These operations represent just over one-fourth of the U.S. dairy cow inventory but over three-fourths of dairy operations.

- Holsteins are the primary dairy breed on more than 9 of 10 small dairy operations. A low percentage of operations report that Jersey (3.1 percent), Brown Swiss (1.1 percent), Guernsey (1.1 percent), or Ayrshire (0.3 percent) is the primary breed on the operation.
- Almost two-thirds of small dairy operations (63.0 percent) house cows primarily in stall or stanchion facilities. Cows in these facilities usually have their own stalls to which they are tethered, where they are fed and watered. Alternatively, a freestall barn has rows of resting areas for the cows and allows the cows to move freely around the barn. Only one in five small operations (19.0 percent) use freestall barns.
- More than 9 of 10 small dairy operations (92.6 percent) raise calves that will enter the milking herd after calving, around 2 years of age. About 3 percent of small operations raise heifers off-site. More than 90 percent of cow replacements (92.1 percent) are born and raised on the operation. Less than 7 percent of cow replacements are born off the operation and approximately 2 percent are born on the operation but raised off the operation.
- Of cows permanently removed from small dairy operations, three-fourths are sent directly to a market, auction, or stockyard; 14.3 percent are sent directly to a packer or slaughter plant; and 9.1 percent go directly to another dairy.
- Almost 9 of 10 cows and heifers on small dairy operations deliver a calf that is still alive at 48 hours of age.
- Small dairy operations report an average milk production per cow of 18,391 pounds annually.
- Almost all producers on small dairy operations would contact a private veterinarian if an animal on their operation is suspected of having a foreign animal disease. At least one-fifth indicate that they would also contact the State Veterinarian's office, a feed company or milk cooperative representative, an extension agent or the university, and/or USDA.

SOURCE: NAHMS Dairy 2007 Study, Web site:
<http://www.aphis.usda.gov/vs/ceah/ncahs/nahms/dairy/>

Dairy

Nearly 60 percent of small dairy operations were conventional operations, and nearly 40 percent were a combination of conventional, grazing, and organic operations



Swine

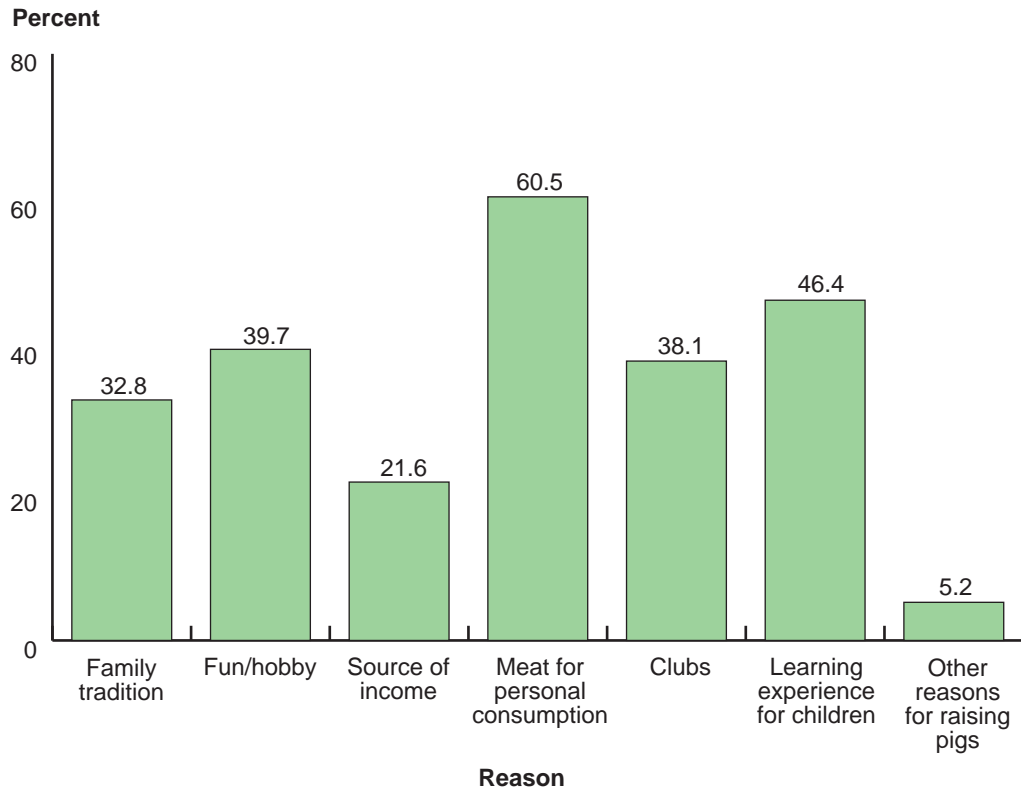
Small swine operations in this report are those with fewer than 100 pigs at peak or maximum total inventory between June 1, 2006, and May 31, 2007. These operations represent less than 1 percent of the U.S. swine inventory but over two-thirds of swine operations.

- Almost two-thirds of small swine operations have market hogs for slaughter. About one-third have female pigs for breeding, while slightly less than one-third have male pigs for breeding. Suckling pigs not yet weaned are found on 15.6 percent of operations.
- About 7 of 10 small swine operations temporarily or permanently add new pigs to the operation. The majority bring on fewer than 10 pigs; the most common types of pigs added are weaned or feeder pigs.
- Eight of 10 small swine operations do not have any pigs transported off the operation (for instance, to attend a hog show) and then return. For operations that do, pigs are transported off the operation and return an average of 3.8 times per year.
- Approximately three-fourths of small swine operations remove or slaughter at least one pig from the operation. Of these, one-half slaughter pigs for home consumption, and one-fourth move swine directly to commercial slaughter, sell directly to custom slaughter, and/or sell swine at a fair or show. Close to one-fifth of these operations move swine directly to other premises and/or sell them via an auction or dealer.
- About one-third of small swine operations housed pigs in an open building with outside access. Approximately one-fourth of operations housed pigs in a fenced lot, and one-fourth use total confinement or open-sided buildings with no outside access. About 1 of 10 operations keep pigs in fenced pastures, and about 1 of 100 operations allow pigs to roam free.
- Litters produced on small swine operations average 8.8 piglets, of which 8.0 are born alive and 7.3 survive through weaning.
- More than two-thirds of small swine operations view their local veterinarian as a very important source of swine health information. Other pig producers and feed or animal health product providers are also considered very important sources for one-fourth of small swine operations.

SOURCE: NAHMS Small-Enterprise Swine Study 2007, Web site:
<http://www.aphis.usda.gov/vs/ceah/ncahs/nahms/swine/index.htm>

Swine

Most small swine operations rated “meat for personal consumption” and “learning experience for children” as highly or extremely important reasons for raising pigs



Poultry

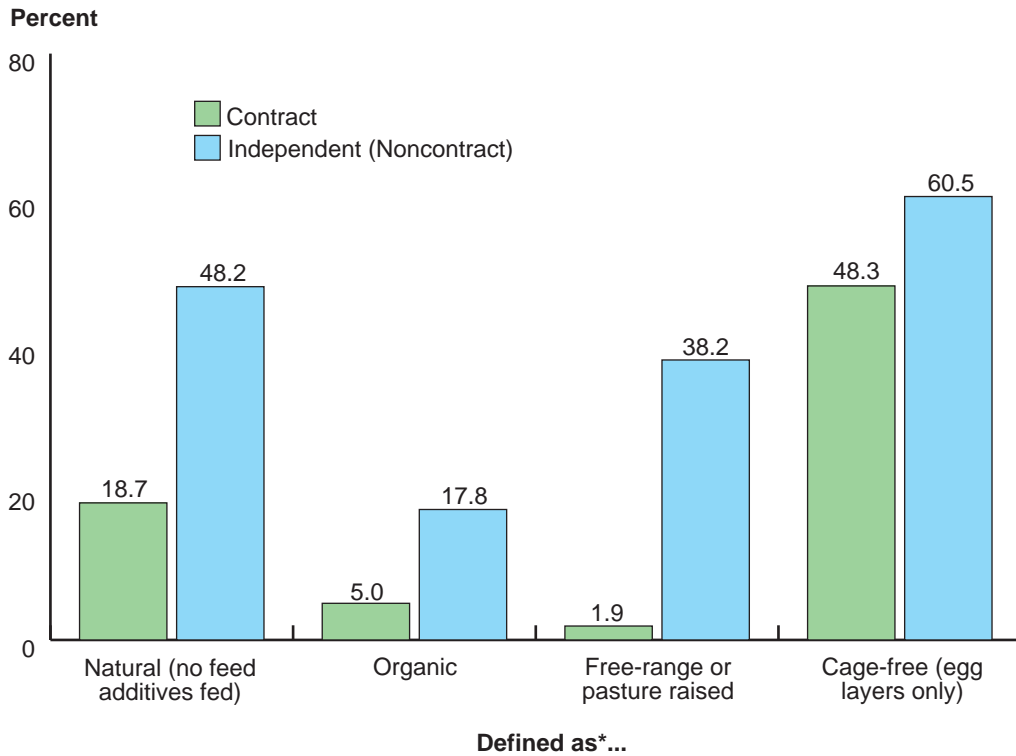
Small chicken operations are defined in this report as having between 1,000 and 19,999 chickens based primarily on data from the 2002 Census of Agriculture. These small operations represent 2.4 percent of the U.S. chicken inventory.

- Many U.S. poultry operations function under a contract with a poultry company (integrator), whereby the poultry company provides birds, feed, and veterinary services, and the farmer provides labor and housing for the birds. Over one-half of small chicken operations are contract farms with breeding chickens, and about one-fourth of small chicken operations are contract farms with chickens for uses other than breeding.
- Independent operations that do not have a contract with a poultry company account for 17.4 percent of small operations.
- Of small chicken operations, a higher percentage with 1,000 to 9,999 chickens have chickens for table-egg production. Of operations with 10,000 to 19,999 chickens, 63.0 percent have breeding chickens for hatching egg production.
- Operations with 1,000 to 9,999 chickens also have a greater variety of bird types than operations with 10,000 to 19,999 chickens, including chickens for meat production, waterfowl, and turkeys,.
- Birds older than hatchlings are usually placed on the operation once during the year. The majority of operations that placed older birds obtain the birds directly from another poultry operation. About one of five operations obtain birds from a poultry wholesaler or dealer.
- Very few small chicken operations take poultry to a location in which other birds are present and then return the birds to the operation. Most operations that do take poultry to another location are independent (noncontract) operations.
- More than three-fourths of small operations permanently remove live poultry during the year. The most common channels for removing live birds are sending the birds to slaughter and returning birds to the contractor. Less than 1 of 10 operations that remove birds send the birds to another premises with poultry or to a live-bird market.
- Over 90 percent of contract operations that produced eggs have at least some eggs removed via commercial egg pickup or contract arrangement, while over one-half of independent (noncontract) operations deliver at least some of their eggs to their destination or have customers pick up eggs on-site.
- By far the most important source of bird health information is a service person employed by a poultry contractor. Extension service, Federal, State, or university veterinarians or diagnostic labs, nutritionists, and private practice veterinarians follow in importance and are ranked similarly.

SOURCE: NAHMS Small Enterprise Chicken Study 2007, Web site:
<http://www.aphis.usda.gov/vs/ceah/ncahs/nahms/poultry/>

Poultry

Percentage of small poultry operations that defined any part of the poultry operation in the following way, by contract status



*Based on producers' interpretation of these definitions.

Summary

- While small livestock and poultry farms account for the largest percentage of all livestock and poultry farms in the United States, the percentage of the U.S. livestock and poultry inventory on these operations are much lower.
- Among the individual livestock and poultry small farms, there are some marked commonalities. Small beef cow-calf operations are predominantly commercial cattle herds, rather than seedstock herds. Holstein is the overwhelming breed of choice on small dairy operations. Almost two-thirds of small swine operations raise market hogs for slaughter. And three-fourths of small chicken operations function under a contract with a poultry company.
- There is little movement of animals onto small beef and small dairy operations because producers raise most of their own replacement animals. Small swine operations show a greater tendency to bring live pigs onto their premises, although the number of animals added is small. Small poultry operations move a much larger proportion of live birds onto their premises.
- In contrast, both small beef and dairy operations move larger proportions of their cattle off the premises to markets and auctions. Small poultry operations move relatively lower proportions of their birds into live markets, and small swine operations are between the two extremes.
- Small livestock and poultry operations report a variety of reasons for farming other than source of income. Some also adopt production practices in addition to conventional methods to take advantage of alternative marketing channels.