

**Table 9.2.** Producer estimated sale price per pound of live animal sold, meat goat production system models, North Florida, 1991.

System	Cost of system (by animal type)				
	Cull	Phase 1 Breeding	Phase 1 Meat	Phase 2 Breeding	Phase 2 Meat
Extensive	.40	.80	.85	.90	.70
Mixed	.62	1.28	.92	1.15	.83
Intensive	.73	1.28	.92	1.15	.83

**Table 9.3.** Net income, all system models, North Florida, 1991.

Production system	Farm size (in acres)					
	10	50	150	200	350	500
Extensive	10	50	150	200	350	500
Mixed	10	30	130	180	330	480
Intensive	10	30	130	180	330	480
Net income after direct costs have been covered (in dollars)						
Extensive	57	779	2,862	3,696	6,509	8,365
Mixed	133	1,018	6,633	9,291	17,036	22,705
Intensive	438	1,646	9,212	12,495	23,436	39,839
<i>Net income</i> Cost per pound of live animal sold when all costs are included (in dollars)*						
Extensive	(1,340)	(5,056)	(11,338)	(14,804)	(24,220)	(36,810)
Mixed	(2,773)	(10,612)	(23,667)	(25,839)	(34,633)	(38,455)
Intensive	(12,833)	(12,456)	(24,665)	(27,765)	(35,935)	(54,085)
<i>Net income</i> Cost per pound of live animal sold when all costs except land are included*						
Extensive	(361)	(432)	(49)	(155)	68	(875)
Mixed	(682)	(544)	3,250	4,210	7,806	8,783
Intensive	(1,945)	(4,026)	(4,293)	(3,972)	(1,883)	(1,708)

\*Items in parentheses () show losses, where costs are greater than income.

system. In all cases, except for culls, the prices were the same for the mixed and intensive systems.

## NET INCOME

The cost information is quite valuable for identifying the impact of size. But, from a producers viewpoint net income is more significant. These figures, provided in Table 9.3, have losses (i.e. costs are greater than income) shown in parentheses.

It is interesting that despite significantly higher costs for the smallest sizes, net income was positive. This is one reason why there are a myriad of smaller meat goat farms. Another is a belief that revenue from goats is compensated for by the green belt exemption. But, the study by Covington indicates that net income is negative for the smallest two sizes when all costs except a charge for land are considered. The problem for these smallest size operators then is

whether tax benefits and other considerations are sufficient to cover charges which, in the longer term, must be covered.

Review of Table 9.3 and Figure 9.2 show that while the intensive system provides the greatest net income when only direct costs are considered, the mixed system provides the greatest net income when all charges except land are taken into account. Furthermore, net income in the mixed system grows to significant proportions in larger sizes.

## CONCLUSIONS

Cost data provided in this chapter clearly indicate benefits to be derived from increasing scale to 100 acres. In the case of a mixed system in which the stocking rate was determined to average the equivalent of one doe per acre, it means caring for the equivalent of about 100 mature animals (the