

Malting Barley Budgets, Reduced Tillage, New York, 2017

John J. Hanchar, Cornell University/NWNY Dairy, Livestock, and Field Crops Program

The 2017 estimates in Table 1 resulted from working with growers, and Cornell University regional agronomists and faculty. A set of estimates for conventionally tilled malting barley appeared in the July 2017 issue of Ag Focus. See <nwnyteam.cce.cornell.edu> for economics of growing malting barley in NY.

Table 1. Estimated Value of Production, Costs and Returns for Malting Barley by Variety, Reduced Tillage, Intensive Management, NY, 2017.

Item	Spring, Intensive Management, 65 bu./acre	Winter, Intensive Management, 80 bu./acre
<u>Value of Production</u>		
		--- \$ per acre ---
Barley at \$6.63/bu.* (grain only)	430.95	530.40
*Est. weighted avg. price		
Total	430.95	530.40
<u>Costs of Production</u>		
<u>Variable Inputs</u>		
		--- \$ per acre ---
Fertilizer & Lime	45.86	55.57
Seeds	47.48	47.48
Sprays & Other Variable Inputs	73.84	94.08
Labor	13.82	13.82
Repairs & Maintenance		
Tractor	19.16	19.16
Equipment	5.50	5.50
Fuels & Lubricants	12.24	12.24
Interest on Operating Capital	5.45	10.32
<u>Total Variable Inputs Costs</u>		
		--- \$ per acre ---
Total	223.35	258.17
		--- \$ per bushel ---
Total	3.44	3.23
<u>Fixed Inputs</u>		
		--- \$ per acre ---
Tractor	40.19	40.19
Equipment	19.56	19.56
Land charge	100.00	100.00
Value of Op. & Family Mgt.*		
*Excluded		
<u>Total Fixed Input Costs</u>		
		--- per acre ---
Total	159.75	159.75
		--- \$ per bushel ---
Total	2.46	2.00

Table 1. Estimated Value of Production, Costs and Returns etc. ... continued

Item	Spring, Intensive Management, 65 bu./acre	Winter, Intensive Management, 80 bu./acre
<u>Total Costs</u>		
		--- \$ per acre ---
Total	383.10	417.92
		--- \$ per bushel ---
Total	5.89	5.22
<u>Returns</u>		
		--- \$ per acre ---
Return above variable costs	207.60	272.23
		--- \$ per bushel ---
Return above variable costs	3.19	3.40
		--- \$ per acre ---
Return above total costs	47.85	112.48
		--- \$ per bushel ---
Return above total costs	0.74	1.41

- Costs of production include variable and fixed costs, excluding a charge for operator management, up to the time when grain is in the bin – bin prep, hauling and drying are included, while storage and other marketing costs are excluded.
- Selected differences, spring versus winter barley, include the following: expected yields for spring varieties are typically lower than yields for winter varieties; spring barley receives a single application of fertilizers at planting, while winter varieties receive an application at planting in the fall, and a second at green-up in early spring.
- Selected characteristics, intensive management, include the following: expected yields for intensive management are typically higher than goals for standard management; intensively managed barley receives on average one fungicide application annually often in combination with an insecticide.
- Selected characteristics for the reduced tillage system include: a single tillage pass with a light disk or Aerway type tool; planting with a no till small grains drill; pre-emergence weed control; harvest with a grain combine at low speed.
- Expected weighted average price for barley estimated using price, and percentage marketed by end use data (Newbold and Thayer. 2016. NYS Brewery Supply Chain Analysis. Ithaca, NY: Cornell University Cooperative Extension, Harvest, NY). Expected yields per “Ten Keys to Successful Malting Barley Production in New York.” Cornell Cooperative Extension.
- The “Spray & Other Variable Inputs” cost item includes: spray materials; custom operator charges for spraying and other crop management tasks; crop professional fees for soil testing, scouting, consulting etc.; bin prep; drying; and others.
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- Questions? Comments? Contact John Hanchar, jjh6@cornell.edu, (585) 233-9249