Jan. 15, 1894

Some sources of profit in farming.

I know when to sell. This is not always easy as it sometimes happens that when we think prices are high we sell and the price goes higher but this should not trouble us if we sold at a price that gave us a profit over the cost of production. On the other hand we are apt to think the price too low when it would give a fair profit and by holding too long are obliged to take less than the cost of production. As for example, if once
knew a farmer to have two crops of corn on hand, when the price reached 75¢ per bu.; but he thought it would be likely to go a little higher and he would not sell that day, but the next day the price dropped a cent or two, then he waited for it to go up to 75¢ again and he kept waiting for a year and then sold for 84¢ per bu. In general the rule should be to sell whenever the market price will give a reasonable profit over the cost of production.
2. Economy in buying tools. While it will not do to buy every new tool or machine that is put on the market simply because we think it is a good one and may do better work than one that we already have, it is certainly very foolish economy to go on using old worn-out tools year after year, till the loss of time occasioned by breakages and cost of repair amounts to more than pay for new ones.
Some sources of profit in farming.

1. Know when to sell. This is not always easy as it sometimes happens that when we think prices are high we sell and the price goes higher but this should not trouble us if we sold at a price that gave us a profit over the cost of production. On the other hand we are apt to think the price too low, when it would give a fair profit, and by holding too long are obliged to take less than the cost of production. As for example: I once knew a farmer to have two crops of corn on hand when the price reached 75 cts. per bu. but he thought it would be likely to go a little higher and he would not sell that day, but the next day the price dropped a cent or two, then he waited for it to go up to 75 cts. again and he kept waiting for a year and then sold for 34 cts. per bu. In general the rule should be to sell whenever the market price will give a reasonable profit over the cost of production.

2. Economy in buying tools. While it will not do to buy every new tool or machine that is put on the market, simply because we think it is a good one and may do better work than one that we already have, it is certainly very poor economy to go on using old worn out tools year after year, till the loss of time occasioned by breakages and cost of repairs amounts to enough to more than pay for new ones.

Geo. Sparks
Profit in Farming, 1894.