

INTRODUCTION

Machinery management has increased in importance in today's farming operations because of its direct relation to the success of management in using land, labor and capital to return a satisfactory profit.

The importance of machinery in the total farming operation is indicated by the machinery costs in relation to the total costs.

Typically, machinery costs overshadow all other crop production costs except land.

Machinery costs in Japan often account for more than twenty percent of total production costs, and can run as high as 28,000 Yen per 0.1 hectare per year for rice cropping systems. (Refer to reference-12 and fm-01ag-japan.xls)

Machinery costs in USA often account for fifty percent of total production costs, and can run as high as \$200 per acre (\$500 per hectare) per year for intensive cropping systems on irrigated land. It is not unusual to find that the difference in profit from one farm to another is due solely to differences in the machinery selected and the way it is managed. (Refer to referece-3)

Agriculture in Japan Refer to Ag-Japan.doc