

## ABSTRACT

The research was done to identify production factors affecting the profits of dairy farming, efficiency of dairy farming and to study the relationship between input and output of dairy farming at Kabupaten Boyolali, Kabupaten Semarang and Semarang City-Central Java

The dairy farming system-in the research area was characterized by significant relationship between the scale of ownership and the average profit per unit cows. The average profits per unit cow increased as the size or grade of ownership increased this affected the efficiency ( technically and economically ) Of dairy farming was mainly determined by the output . It had also been identified that the profit

The average profit per unit cow per calving periode was grade I Rp 2,408 million , grade II Rp 2,504 million. grade III 2,994 million and grade IV 2,869 with total mean Rp 2,6262 million . From return to scale analysis, the production of milk cow with increasing return to scale (IRS) condition.at grade III

The result of analisis of economic efficiency on the expences for variables of profit factor , as resulted that the farmer condition in central Java in on the ineficiencie . From maximal profit calculation , we can make a conclusion that average profit of breeder isn't maximal yet

The study concluded that there are performs and efficiency for improvement of the industry, mainly at the milk processing stage both at the individual farmer and as groups (cooperative ubits )