Region of south-eastern Poland is predisposed to cattle breeding (large share of grassland) and production of high-quality food including organic food. In the recent years in Poland a rapid growth of dairy farms with intensive production system has been recorded. The research, conducted in 46 farms which were divided into 3 groups, showed that the best balanced feed rations were found in cowsheds using the intensive system of feeding (TMR). In these cowsheds, the lowest cost of production of 1 kg of milk (0.68 PLN) was also shown while the highest one (0.76 PLN) was recorded on farms with traditional feeding system. On the farms from group III (TMR feeding), obtaining an average daily yield of herd at the level of approximately 28 kg of milk, costs of feeding accounted for over 70% of the direct expenses. However, on the farms from group I (conventional feeding), with milk yield at the level of approximately 15 kg, the feeding costs accounted for only 60% of direct expenses.

KEY WORDS: family farms, milk production, costs of production