

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Fresh Market Spinach - 122 Acres
Southwest Extension District - 10

Crop Acres		122		Enterprise		
REVENUE		Quantity	Units	\$/Unit	Total	Total
Fresh Spinach		400.00	Carton	\$14.00	\$5,600.00	\$683,200.00
Total Revenue					\$5,600.00	\$683,200.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
Spinach Seed		600	Thousand	\$0.29	\$174.00	\$21,228.00
Fertilizer						
Fertilizer 18-46-0		260	Pound	\$0.25	\$65.00	\$7,930.00
Fertilizer 0-0-22 Kmag		90	Pound	\$0.23	\$20.70	\$2,525.40
UAN + Sulfur (28% N)		2.11	CWT	\$8.93	\$18.84	\$2,298.76
Mg, 4% Liquid		5.5	Gallon	\$11.00	\$60.50	\$7,381.00
N-32 in Water		313	Pound	\$0.17	\$53.21	\$6,491.62
N-32 in Water		156	Pound	\$0.17	\$26.52	\$3,235.44
Herbicide						
Dual Magnum		1	Pint	\$13.13	\$13.13	\$1,601.86
Insecticide						
Mustang Max		3	Ounce	\$1.44	\$4.31	\$525.21
Diazinon		2.5	Quart	\$10.75	\$26.88	\$3,278.75
Mustang Max		3	Ounce	\$1.44	\$4.31	\$525.21
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Fungicides						
Ridomil Gold Bravo		1	Pound	\$2.00	\$2.00	\$244.00
Quadris		12	Ounce	\$2.38	\$28.56	\$3,484.32
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Miscellaneous						
Miscellaneous Spinach Overhead		1	Acre	\$4.00	\$4.00	\$488.00
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Custom						
Custom Harvest Spinach		180	Carton	\$6.65	\$1,197.00	\$146,034.00
Custom Harvest Spinach		220	Carton	\$6.65	\$1,463.00	\$178,486.00
Irrigation						
Energy or Water Cost		723.98	kWh	\$0.18	\$130.32	\$15,898.69
Other Labor						
Hand Labor		3.5	Hour	\$10.00	\$35.00	\$4,270.00
Machinery Labor						
Tractors/Self-Propelled		1.56	Hour	\$12.00	\$18.72	\$2,283.84
Diesel Fuel						
Tractors/Self-Propelled		12.62	Gallon	\$2.85	\$35.97	\$4,387.97
Gasoline						
Pickup/General Use Equipment		1	Acre	\$131.72	\$131.72	\$16,069.84
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$26.88	\$26.88	\$3,279.36
Irrigation Equipment		1	Acre	\$7.52	\$7.52	\$917.44
Tractors/Self-Propelled		1	Acre	\$4.22	\$4.22	\$515.36
Implements		1	Acre	\$5.74	\$5.74	\$700.22
Interest on Credit Line				6.50%	\$29.08	\$3,547.26
Total Variable Costs					\$3,623.98	\$442,125.08
Planned Returns Above Variable Costs:					\$1,976.02	\$241,074.92
Breakeven Price to Cover Variable Costs				\$9.06	Carton	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$41.18	\$41.18	\$5,023.35
Irrigation Equipment		1	Acre	\$55.61	\$55.61	\$6,784.07
Tractors/Self-Propelled		1	Acre	\$18.32	\$18.32	\$2,235.08
Implements		1	Acre	\$6.41	\$6.41	\$781.69
Equipment Investment						
Pickup/General Use Equipment		\$274.50	Dollars	6.50%	\$17.84	\$2,176.79
Irrigation Equipment		\$834.11	Dollars	6.50%	\$54.22	\$6,614.47
Tractors/Self-Propelled		\$225.29	Dollars	6.50%	\$14.64	\$1,786.59
Implements		\$88.18	Dollars	6.50%	\$5.73	\$699.26
Irrigated Winter Garden Rent		1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs					\$263.95	\$32,201.29
Total Specified Costs					\$3,887.92	\$474,326.37
Returns Above Specified Costs					\$1,712.08	\$208,873.63
Breakeven Price to Cover Total Costs				\$9.72	Carton	

Example Breakeven Prices						
Example Yield Percent	Example Yield Carton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share Tenant	Own/Rent	Share Tenant	Landlord
75%	300.00	\$12.08	\$12.08	\$12.96	\$12.96	\$0.00
90%	360.00	\$10.07	\$10.07	\$10.80	\$10.80	\$0.00
100%	400.00	\$9.06	\$9.06	\$9.72	\$9.72	\$0.00
110%	440.00	\$8.24	\$8.24	\$8.84	\$8.84	\$0.00
125%	500.00	\$7.25	\$7.25	\$7.78	\$7.78	\$0.00

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.