

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Watermelon, Seedless, Plastic Mulch, Drip Irrigated, Rio Grande Valley - 40 Acres
South Extension District - 12

Crop Acres		40				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Watermelon, seedless		450.00	CWT	\$15.00	\$6,750.00	\$270,000.00
Total Revenue					\$6,750.00	\$270,000.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
	Hybrid Watermelon Seed	0.18	Pound	\$170.00	\$30.60	\$1,224.00
	Watermelon Seedlings	12	Thousand	\$80.00	\$960.00	\$38,400.00
Fertilizer						
	Phosphorus (46% P2O5)	1.3	CWT	\$29.30	\$38.09	\$1,523.60
	UAN (32% N)	0.6	CWT	\$25.27	\$15.16	\$606.48
	UAN (32% N)	0.4	CWT	\$25.27	\$10.11	\$404.32
Herbicide						
	Trifluralin 4EC	2.75	Pint	\$8.99	\$24.72	\$988.90
Insecticide						
	Thiodan 3 EC	1	Quart	\$8.92	\$8.92	\$356.80
Fungicides						
	Bravo Ultrex	0.5	Quart	\$10.96	\$5.48	\$219.20
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	Quadris	16	Ounce	\$2.47	\$39.52	\$1,580.80
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Miscellaneous						
	DripTape (2 seasons)	6550	Foot	\$0.01	\$52.40	\$2,096.00
	Plastic Mulch, 3x4K'	0.61	Roll	\$68.00	\$41.48	\$1,659.20
	Sulfuric Acid	8	Ounce	\$0.01	\$0.12	\$4.74
	Sulfuric Acid	4	Ounce	\$0.01	\$0.06	\$2.37
	Sulfuric Acid	6	Ounce	\$0.01	\$0.09	\$3.56
	Sulfuric Acid	3	Ounce	\$0.01	\$0.04	\$1.78
	Sulfuric Acid	5	Ounce	\$0.01	\$0.07	\$2.96
Custom						
	Bee Rental	1	Hive	\$85.00	\$85.00	\$3,400.00
	Harvest and Sell Watermelons	450	CWT	\$3.30	\$1,485.00	\$59,400.00
Irrigation						
	Energy or Water Cost	1.13	Acre/Foot	\$20.00	\$22.68	\$907.20
	Irrigation Labor	0.19	Hour	\$9.00	\$1.70	\$68.04
Other Labor						
	Transplant Melons	8	Hour	\$9.00	\$72.00	\$2,880.00
	Pickup Plastic	8	Hour	\$9.00	\$72.00	\$2,880.00
	Unallocated Labor	0.8992	Hour	\$9.00	\$8.09	\$323.71
Machinery Labor						
	Tractors/Self-Propelled	1.59	Hour	\$9.00	\$14.31	\$572.40
Diesel Fuel						
	Drip Trailer System	1	Acre	\$382.20	\$382.20	\$15,288.00
	Tractors/Self-Propelled	8.26	Gallon	\$3.25	\$26.85	\$1,073.80
Repairs & Maintenance						
	Drip Trailer System	1	Acre	\$4.73	\$4.73	\$189.00
	Tractors/Self-Propelled	1	Acre	\$6.57	\$6.57	\$262.90
	Implements	1	Acre	\$4.51	\$4.51	\$180.35
	Interest on Credit Line			9.00%	\$50.64	\$2,025.50
Total Variable Costs					\$3,508.14	\$140,325.61
Planned Returns Above Variable Costs:					\$3,241.86	\$129,674.39
Breakeven Price to Cover Variable Costs				\$7.80	CWT	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Drip Trailer System	1	Acre	\$47.25	\$47.25	\$1,890.00
	Tractors/Self-Propelled	1	Acre	\$10.31	\$10.31	\$412.32
	Implements	1	Acre	\$5.67	\$5.67	\$226.89
Equipment Investment						
	Drip Trailer System	\$787.50	Dollars	9.00%	\$70.88	\$2,835.00
	Tractors/Self-Propelled	\$153.36	Dollars	9.00%	\$13.80	\$552.10
	Implements	\$59.80	Dollars	9.00%	\$5.38	\$215.27
	Cash Rent, Irrigated Vegetables	1	Acre	\$110.00	\$110.00	\$4,400.00
Total Fixed Costs					\$263.29	\$10,531.59
Total Specified Costs					\$3,771.43	\$150,857.19
Returns Above Specified Costs					\$2,978.57	\$119,142.81
Breakeven Price to Cover Total Costs				\$8.38	CWT	

Example Breakeven Prices						
Example Yield Percent	Example Yield CWT	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	337.50	\$10.39	\$10.39	\$11.17	\$11.17	\$0.00
90%	405.00	\$8.66	\$8.66	\$9.31	\$9.31	\$0.00
100%	450.00	\$7.80	\$7.80	\$8.38	\$8.38	\$0.00
110%	495.00	\$7.09	\$7.09	\$7.62	\$7.62	\$0.00
125%	562.50	\$6.24	\$6.24	\$6.70	\$6.70	\$0.00

Developed by Luis Ribera, 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.