

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Watermelon, Open Pollinated Varieties, Dryland, Rio Grande Valley - 40 Acres
South Extension District - 12

Crop Acres		40				Enterprise
		Quantity	Units	\$/Unit	Total	Total
REVENUE						
	Watermelon, Allsweet	250.00	CWT	\$15.00	\$3,750.00	\$150,000.00
Total Revenue					\$3,750.00	\$150,000.00
VARIABLE COSTS						
Production Costs		Quantity	Units	\$/Unit	Total	Enterprise Total
Seed						
	Watermelon Seed, OP	3	Pound	\$20.00	\$60.00	\$2,400.00
Fertilizer						
	Fertilizer 10-34-0	1.5	CWT	\$35.00	\$52.50	\$2,100.00
Herbicide						
	Trifluralin 4EC	2	Pint	\$8.99	\$17.98	\$719.20
Insecticide						
	Thiodan 3 EC	1	Quart	\$8.92	\$8.92	\$356.80
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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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Custom						
	Bee Rental	1	Hive	\$85.00	\$85.00	\$3,400.00
	Harvest and Sell Watermelons	250	CWT	\$3.30	\$825.00	\$33,000.00
Other Labor						
	Unallocated Labor	0.9336	Hour	\$9.00	\$8.40	\$336.10
Machinery Labor						
	Tractors/Self-Propelled	1.31	Hour	\$9.00	\$11.79	\$471.60
Diesel Fuel						
	Tractors/Self-Propelled	8.35	Gallon	\$3.25	\$27.14	\$1,085.50
Repairs & Maintenance						
	Tractors/Self-Propelled	1	Acre	\$6.22	\$6.22	\$248.76
	Implements	1	Acre	\$5.26	\$5.26	\$210.24
	Interest on Credit Line			9.00%	\$7.68	\$307.29
Total Variable Costs					\$1,214.81	\$48,592.29
Planned Returns Above Variable Costs:					\$2,535.19	\$101,407.71
Breakeven Price to Cover Variable Costs					\$4.86 CWT	
FIXED COSTS						
Machinery Depreciation		Quantity	Units	\$/Unit	Total	Enterprise Total
	Tractors/Self-Propelled	1	Acre	\$9.97	\$9.97	\$398.66
	Implements	1	Acre	\$6.84	\$6.84	\$273.51
Equipment Investment						
	Tractors/Self-Propelled	\$144.21	Dollars	9.00%	\$12.98	\$519.15
	Implements	\$73.81	Dollars	9.00%	\$6.64	\$265.73
	Cash Rent, South Texas	1	Acre	\$65.00	\$65.00	\$2,600.00
Total Fixed Costs					\$101.43	\$4,057.04
Total Specified Costs					\$1,316.23	\$52,649.33
Returns Above Specified Costs					\$2,433.77	\$97,350.67
Breakeven Price to Cover Total Costs					\$5.26 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%	187.50	\$6.48	\$6.48	\$7.02	\$7.02	\$0.00
90%	225.00	\$5.40	\$5.40	\$5.85	\$5.85	\$0.00
100%	250.00	\$4.86	\$4.86	\$5.26	\$5.26	\$0.00
110%	275.00	\$4.42	\$4.42	\$4.79	\$4.79	\$0.00
125%	312.50	\$3.89	\$3.89	\$4.21	\$4.21	\$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.