

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Watermelon, Seedless, Plastic Mulch, Drip Irrigated, Well, 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							
	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%		\$50.20	\$2,008.09
Total Variable Costs						\$3,485.02	\$139,401.00
Planned Returns Above Variable Costs:						\$3,264.98	\$130,599.00
Breakeven Price to Cover Variable Costs					\$7.74	CWT	
FIXED COSTS			Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation							
	Drip Trailer System	1	Acre	\$47.25		\$47.25	\$1,890.00
	Irrigation Equipment	1	Acre	\$9.17		\$9.17	\$366.67
	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
	Irrigation Equipment	\$137.50	Dollars	9.00%		\$12.38	\$495.00
	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						\$284.83	\$11,393.25
Total Specified Costs						\$3,769.86	\$150,794.25
Returns Above Specified Costs						\$2,980.14	\$119,205.75
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	\$10.33	\$10.33	\$11.17	\$11.17	\$0.00
90%	405.00	\$8.60	\$8.60	\$9.31	\$9.31	\$0.00
100%	450.00	\$7.74	\$7.74	\$8.38	\$8.38	\$0.00
110%	495.00	\$7.04	\$7.04	\$7.62	\$7.62	\$0.00
125%	562.50	\$6.20	\$6.20	\$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.