

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Canola, Dryland, 1500 lb. Yield Goal - 500 Acres
Lower Coastal Bend Extension District - 11

Crop Acres		500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Canola	1,500.00	Pound	\$0.16	\$240.00	\$120,000.00	
Total Revenue				\$240.00	\$120,000.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Custom						
Fertilizer Application LC	1	Acre	\$5.25	\$5.25	\$2,625.00	
Custom Haul - Canola	15	CWT	\$0.75	\$11.25	\$5,625.00	
Fertilizer						
32-11-3 6S	0.12	Ton	\$470.00	\$56.40	\$28,200.00	
Herbicide						
Glyphosate (Generic)	1	Quart	\$4.04	\$4.04	\$2,020.00	
Trifluralin Granular	7.5	Pound	\$3.91	\$29.33	\$14,662.50	
Insecticide						
Aphid Control	20	Ounce	\$1.76	\$35.20	\$17,600.00	
Seed						
Roundup Ready Canola Seed	4	Pound	\$5.80	\$23.20	\$11,600.00	
Miscellaneous						
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00	
Crop Insurance -Canola LC	1	Acre	\$10.50	\$10.50	\$5,250.00	
Machinery Labor						
Tractors/Self-Propelled	0.59	Hour	\$19.50	\$11.51	\$5,752.50	
Diesel Fuel						
Tractors/Self-Propelled	6.66	Gallon	\$3.30	\$21.98	\$10,989.00	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$20.97	\$20.97	\$10,486.74	
Implements	1	Acre	\$10.18	\$10.18	\$5,091.33	
Interest on Credit Line			5.00%	\$5.55	\$2,776.54	
Total Variable Costs				\$249.24	\$124,618.61	
Planned Returns Above Variable Costs:					(\$9.24) (\$4,618.61)	
Breakeven Price to Cover Variable Costs			\$0.17	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$23.28	\$23.28	\$11,639.34	
Implements	1	Acre	\$12.36	\$12.36	\$6,178.93	
Equipment Investment						
Tractors/Self-Propelled	\$264.54	Dollars	7.00%	\$18.52	\$9,259.05	
Implements	\$117.43	Dollars	7.00%	\$8.22	\$4,109.94	
Management Fee, Owner/Operator Labor	1	Acre	\$12.00	\$12.00	\$6,000.00	
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,000.00	
Total Fixed Costs				\$144.37	\$72,187.26	
Total Specified Costs				\$393.61	\$196,805.87	
Returns Above Specified Costs					(\$153.61) (\$76,805.87)	
Breakeven Price to Cover Total Costs			\$0.26	Pound		

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	1125.00	\$0.22	\$0.22	\$0.35	\$0.35	\$0.00
90%	1350.00	\$0.18	\$0.18	\$0.29	\$0.29	\$0.00
100%	1500.00	\$0.17	\$0.17	\$0.26	\$0.26	\$0.00
110%	1650.00	\$0.15	\$0.15	\$0.24	\$0.24	\$0.00
125%	1875.00	\$0.13	\$0.13	\$0.21	\$0.21	\$0.00

Developed by Levi Russell, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service.

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.