

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Watermelon, Seedless, Plastic Mulch, Drip Irrigated, Rio Grande Valley - 40 Acres
South Extension District - 12

Crop Acres		40				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Watermelon, seedless	450.00	CWT	\$18.00	\$8,100.00	\$324,000.00	
Total Revenue				\$8,100.00	\$324,000.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
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	\$24.50	\$31.85	\$1,274.00	
UAN (32% N)	1	CWT	\$18.60	\$18.60	\$744.00	
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	
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	26	Ounce	\$0.01	\$0.39	\$15.41	
Herbicide						
Trifluralin 4EC	2.75	Pint	\$3.34	\$9.19	\$367.40	
Insecticide						
Thiodan 3 EC	1	Quart	\$9.03	\$9.03	\$361.20	
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	
Fungicides						
Bravo Ultrex	1	Quart	\$12.82	\$12.82	\$512.80	
Quadris	32	Ounce	\$2.86	\$91.52	\$3,660.80	
Irrigation						
Water Cost	1.13	Acre/Foot	\$20.00	\$22.68	\$907.20	
Irrigation Labor	0.19	Hour	\$9.00	\$1.70	\$68.04	
Machinery Labor						
Tractors/Self-Propelled	1.81	Hour	\$9.00	\$16.29	\$651.60	
Diesel Fuel						
Pickup/General Use Equipment	1	Acre	\$352.80	\$352.80	\$14,112.00	
Tractors/Self-Propelled	9	Gallon	\$3.00	\$27.00	\$1,080.00	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$4.73	\$4.73	\$189.00	
Tractors/Self-Propelled	1	Acre	\$16.79	\$16.79	\$671.48	
Implements	1	Acre	\$9.95	\$9.95	\$397.83	
Interest on Credit Line			9.00%	\$33.85	\$1,354.15	
Total Variable Costs				\$3,465.75	\$138,629.82	
Planned Returns Above Variable Costs:				\$4,634.25	\$185,370.18	
Breakeven Price to Cover Variable Costs			\$7.70 CWT			
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$47.25	\$47.25	\$1,890.00	
Tractors/Self-Propelled	1	Acre	\$17.35	\$17.35	\$693.86	
Implements	1	Acre	\$12.01	\$12.01	\$480.56	
Equipment Investment						
Pickup/General Use Equipment	\$787.50	Dollars	9.00%	\$70.88	\$2,835.00	
Tractors/Self-Propelled	\$195.85	Dollars	9.00%	\$17.63	\$705.05	
Implements	\$106.21	Dollars	9.00%	\$9.56	\$382.36	
Cash Rent, Irrigated Vegetables	1	Acre	\$110.00	\$110.00	\$4,400.00	
Total Fixed Costs				\$284.67	\$11,386.84	
Total Specified Costs				\$3,750.42	\$150,016.65	
Returns Above Specified Costs				\$4,349.58	\$173,983.35	
Breakeven Price to Cover Total Costs			\$8.33 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	\$10.27	\$10.27	\$11.11	\$11.11	\$0.00
90%	405.00	\$8.56	\$8.56	\$9.26	\$9.26	\$0.00
100%	450.00	\$7.70	\$7.70	\$8.33	\$8.33	\$0.00
110%	495.00	\$7.00	\$7.00	\$7.58	\$7.58	\$0.00
125%	562.50	\$6.16	\$6.16	\$6.67	\$6.67	\$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.