

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Watermelon, Open Pollinated Varieties, Dryland, Rio Grande Valley - 40 Acres**  
**South Extension District - 12**

Crop Acres		40			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Watermelon, Allsweet	250.00	CWT	\$18.00	\$4,500.00	\$180,000.00
<b>Total Revenue</b>				<b>\$4,500.00</b>	<b>\$180,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
<b>Seed</b>					
Watermelon Seed, OP	3	Pound	\$20.00	\$60.00	\$2,400.00
<b>Fertilizer</b>					
Fertilizer 10-34-0	1.5	CWT	\$26.00	\$39.00	\$1,560.00
<b>Custom</b>					
Bee Rental	1	Hive	\$85.00	\$85.00	\$3,400.00
Harvest and Sell Watermelons	250	CWT	\$3.30	\$825.00	\$33,000.00
<b>Herbicide</b>					
Trifluralin 4EC	2	Pint	\$3.34	\$6.68	\$267.20
<b>Insecticide</b>					
Thiodan 3 EC	2	Quart	\$9.03	\$18.06	\$722.40
<b>Fungicides</b>					
Bravo Ultrex	1	Quart	\$12.82	\$12.82	\$512.80
Quadris	32	Ounce	\$2.86	\$91.52	\$3,660.80
<b>Other Labor</b>					
Unallocated Labor	0.9336	Hour	\$9.00	\$8.40	\$336.10
<b>Machinery Labor</b>					
Tractors/Self-Propelled	1.43	Hour	\$9.00	\$12.87	\$514.80
<b>Diesel Fuel</b>					
Tractors/Self-Propelled	9.23	Gallon	\$3.00	\$27.69	\$1,107.60
<b>Repairs &amp; Maintenance</b>					
Tractors/Self-Propelled	1	Acre	\$17.30	\$17.30	\$692.19
Implements	1	Acre	\$12.96	\$12.96	\$518.44
Interest on Credit Line			9.00%	\$7.97	\$318.67
<b>Total Variable Costs</b>				<b>\$1,225.27</b>	<b>\$49,010.99</b>
Planned Returns Above Variable Costs:				\$3,274.73	\$130,989.01
Breakeven Price to Cover Variable Costs			\$4.90	CWT	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Tractors/Self-Propelled	1	Acre	\$17.80	\$17.80	\$711.80
Implements	1	Acre	\$16.04	\$16.04	\$641.74
<b>Equipment Investment</b>					
Tractors/Self-Propelled	\$200.91	Dollars	9.00%	\$18.08	\$723.28
Implements	\$156.02	Dollars	9.00%	\$14.04	\$561.65
Cash Rent, South Texas	1	Acre	\$65.00	\$65.00	\$2,600.00
<b>Total Fixed Costs</b>				<b>\$130.96</b>	<b>\$5,238.48</b>
<b>Total Specified Costs</b>				<b>\$1,356.24</b>	<b>\$54,249.47</b>
Returns Above Specified Costs				\$3,143.76	\$125,750.53
Breakeven Price to Cover Total Costs			\$5.42	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	\$6.53	\$6.53	\$7.23	\$7.23	\$0.00
90%	225.00	\$5.45	\$5.45	\$6.03	\$6.03	\$0.00
100%	250.00	\$4.90	\$4.90	\$5.42	\$5.42	\$0.00
110%	275.00	\$4.46	\$4.46	\$4.93	\$4.93	\$0.00
125%	312.50	\$3.92	\$3.92	\$4.34	\$4.34	\$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.**