

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Animal
November- February Stockers - 320 Head
North Texas Extension District - 4

Number of Head		320					Enterprise
REVENUE	Head	Pay Weight	Units	\$/Unit	Total	Total	
Stocker	0.975	6.70	CWT	\$165.00	\$1,077.86	\$344,916.00	
Total Revenue					\$1,077.86	\$344,916.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	Total	
Production Costs							
Stocker Purchase	4.70	CWT	\$191.50	\$900.05	\$288,016.00		
Grazing							
Acre Lease	0.25	Acre	\$10.00	\$2.50	\$800.00		
Gain Contract	187.95	Pounds	\$0.25	\$46.99	\$15,035.90		
Health							
Health - Stocker	1	Head	\$30.00	\$30.00	\$9,600.00		
Feed							
Mineral	0.5	Pound	\$0.05	\$0.03	\$8.00		
Bermuda Hay	1	Roll	\$75.00	\$75.00	\$24,000.00		
Miscellaneous							
Miscellaneous - Stocker	1	Head	\$10.00	\$10.00	\$3,200.00		
Fuel	1	Head	\$3.21	\$3.21	\$1,027.50		
Lube (As a % of fuel)	10.0%	Percent	\$3.21	\$0.32	\$102.75		
Repairs	1	Head	\$0.96	\$0.96	\$307.36		
Marketing	0.975	Head	\$11.00	\$10.73	\$3,432.00		
Labor	1	Head	\$15.33	\$15.33	\$4,906.02		
Interest on Credit Line			4.75%	\$21.64	\$6,923.78		
Total Variable Costs					\$1,116.75	\$357,359.31	
Planned Returns Above Variable Costs:					(\$38.89)	(\$12,443.31)	
Breakeven Price to Cover Variable Costs				\$166.68	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	Total	
Depreciation	1	Head	\$8.89	\$8.89	\$2,844.29		
Equipment Investment	\$310.47	dollars	6.00%	\$18.63	\$5,961.00		
Total Fixed Costs				\$27.52	\$8,805.29		
Total Costs					\$1,144.26	\$366,164.60	
Planned Returns to Management, Risk, and Profit:					(\$66.40)	(\$21,248.60)	
Breakeven Price to Cover Total Costs				\$170.79	CWT		

Example Break Even Sensitivity Analysis			
	Net Pay Weight	470	
		Sales Price/Cwt	B/E Price/Cwt
		165.00	191.50
ADG (Lbs/day)	with Shrink	B/E Purchase Price (\$/CWT)	B/E Sales Price (\$/CWT)
1.49	710	\$191.06	\$165.30
1.37	690	\$184.22	\$170.09
1.24	670	\$177.37	\$175.16
1.12	650	\$170.53	\$180.55
0.99	630	\$163.68	\$186.29

Developed by Blake Bennet, Associate 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.