

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Watermelon, Seedless, Plastic Mulch, Drip Irrigated, Rio Grande Valley
South Extension District - 12

Crop Acres		40				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Watermelon, seedless	450.00	CWT	\$16.00	\$7,200.00	\$288,000.00	
Total Revenue				\$7,200.00	\$288,000.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Herbicide						
Trifluralin 4EC	2.75	Pint	\$3.65	\$10.04	\$401.55	
Seed						
Hybrid Watermelon Seed	2.1	Thousand	\$30.00	\$63.00	\$2,520.00	
Watermelon Seedlings	2.1	Thousand	\$100.00	\$210.00	\$8,400.00	
Fertilizer						
Phosphorus (46% P2O5)	1.74	CWT	\$25.60	\$44.54	\$1,781.76	
UAN (32% N)	2.5	CWT	\$15.25	\$38.13	\$1,525.00	
Custom						
Bee Rental	1	Hive	\$85.00	\$85.00	\$3,400.00	
Harvest and Sell Watermelons	450	CWT	\$8.00	\$3,600.00	\$144,000.00	
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	
Insecticide						
Asana XL	5.8	Ounce	\$0.61	\$3.56	\$142.36	
Other Labor						
Transplant Melons	8	Hour	\$12.00	\$96.00	\$3,840.00	
Pickup Plastic	8	Hour	\$12.00	\$96.00	\$3,840.00	
Unallocated Labor	0.8992	Hour	\$12.00	\$10.79	\$431.62	
Fungicides						
Bravo Ultrex	1	Pound	\$7.21	\$7.21	\$288.29	
Quadris	32	Ounce	\$2.34	\$74.88	\$2,995.20	
Irrigation						
Water Cost	1.13	Acre/Foot	\$20.00	\$22.68	\$907.20	
Irrigation Labor	0.19	Hour	\$12.00	\$2.27	\$90.72	
Machinery Labor						
Tractors/Self-Propelled	1.4	Hour	\$12.00	\$16.80	\$672.00	
Other Labor	0.41	Hour	\$12.00	\$4.92	\$196.80	
Diesel Fuel						
Tractors/Self-Propelled	9	Gallon	\$2.30	\$20.70	\$828.00	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$20.29	\$20.29	\$811.75	
Implements	1	Acre	\$10.58	\$10.58	\$423.13	
Interest on Credit Line			5.00%	\$22.61	\$904.44	
Total Variable Costs				\$4,554.26	\$182,170.42	
Planned Returns Above Variable Costs:				\$2,645.74	\$105,829.58	
Breakeven Price to Cover Variable Costs			\$10.12	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$20.97	\$20.97	\$838.81	
Implements	1	Acre	\$12.67	\$12.67	\$506.80	
Equipment Investment						
Tractors/Self-Propelled	\$163.36	Dollars	7.00%	\$11.44	\$457.42	
Implements	\$55.75	Dollars	7.00%	\$3.90	\$156.09	
Cash Rent, Irrigated Vegetables	1	Acre	\$110.00	\$110.00	\$4,400.00	
Total Fixed Costs				\$158.98	\$6,359.11	
Total Specified Costs				\$4,713.24	\$188,529.53	
Returns Above Specified Costs				\$2,486.76	\$99,470.47	
Breakeven Price to Cover Total Costs			\$10.47	CWT		

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	337.50	\$13.49	\$13.97
90%	405.00	\$11.25	\$11.64
100%	450.00	\$10.12	\$10.47
110%	495.00	\$9.20	\$9.52
125%	562.50	\$8.10	\$8.38

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

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.