

COTTON- Strip-Till, Non-Irrigated
2010 ESTIMATED PER ACRE COSTS AND RETURNS , SOUTH AND EAST GEORGIA

Seed Technology:	B2 or W --- R or RF or LL	Row Spacing:	36
Tillage:	Strip-Till	Seed Per Foot:	2.75
Production:	Non-Irrigated	Seed Per Bag:*	233333

*Average of all Varieties and Technologies

		Lbs/Acre	Price/Lb	Income/Ac	Cents/Lb
INCOME (Planning Price including LDP)		700	0.67	\$469.00	67.00
VARIABLE COST*	Unit	No. Units	Price/Unit	Cost/Acre	Cents/Lb
Land Rent	Acre	1	0.00	0.00	0.00
Crop Insurance	Acre	1	18.00	18.00	2.57
BWEP	Acre	1	1.00	1.00	0.14
Cover Crop	Acre	1	0.00	0.00	0.00
Seed (Including Tech Fees and Treatments)					
Seeds Per Acre	Bag	0.171	500.00	85.56	12.22
Lime- Custom Spread	Ton	0.33	32.50	10.73	1.53
Fertilizers					
Nitrogen	Lbs	70	0.45	31.50	4.50
Phosphate (P2O5)	Lbs	50	0.25	12.50	1.79
Potash (K2O)	Lbs	50	0.50	25.00	3.57
Chicken Litter- Custom Spread	Tons	0	35.00	0.00	0.00
Boron	Lbs	0.5	5.40	2.70	0.39
Others	Acre	1	0.00	0.00	0.00
Weed Control**					
Pre-Plant Broadcast or PPI	Acre	1	9.40	9.40	1.34
At Planting or Pre-Emergence	Acre	1	21.22	21.22	3.03
Post-Emergence OTT	Acre	1	14.45	14.45	2.06
Post-Emergence Directed or Hood	Acre	1	12.59	12.59	1.80
Hand Weeding	Acre	1	0.00	0.00	0.00
Insect Control					
In-Furrow	Lbs	3.5	3.00	10.50	1.50
Spray- Worms	Appl	0	0.00	0.00	0.00
Spray- Stink Bugs, Other Pests	Appl	2	4.45	8.90	1.27
Scouting	Acre	1	10.00	10.00	1.43
Nematicide	Acre	1	0.00	0.00	0.00
PGR	Ounces	8	0.110	0.88	0.13
Boll Opener and Defoliant	Acre	1	11.77	11.77	1.68
Custom Applications					
Insecticides	Appl	0	0.00	0.00	0.00
Herbicides	Appl	0	0.00	0.00	0.00
PGR	Appl	0	0.00	0.00	0.00
Defoliation	Appl	0	0.00	0.00	0.00
Machinery and Equipment					
Fuel and Lube	Gal	10.66	2.50	26.66	3.81
Repairs and Maintenance	Acre	1	19.61	19.61	2.80
Labor	Hrs	1.91	11.00	20.98	3.00
Custom Picking	Acre	1	0.00	0.00	0.00
Interest on Operating	Months	6	\$353.96	0.50	7.25%
Ginning and Warehousing					
Ginning	Lbs	700	0.080	56.00	8.00
Storage and Warehousing	Bale	1.4	10.50	14.70	2.10
Promotions, Boards, Classing	Bale	1.4	5.77	8.08	1.15
Cottonseed	Ton	0.46	120.00	-54.92	-7.85
	% Gin T/O	39.0			
TOTAL VARIABLE COSTS				\$390.64	55.81
NET RETURN ABOVE VARIABLE COST				\$78.36	11.19
Tractors and Sprayer	Acre	1	31.56	31.56	4.51
Equipment/Implements	Acre	1	8.93	8.93	1.28
Picker/BB/MB	Acre	1	53.09	53.09	7.58
Owned Land Charge	Acre	1	0.00	0.00	0.00
Misc Overhead	% of Var Costs	\$390.64	5.0%	19.53	2.79
Management	% of Var Costs	\$390.64	5.0%	19.53	2.79
TOTAL FIXED COSTS				132.64	18.95
TOTAL COST				523.28	74.75
NET RETURN				-54.28	-7.75

*Fertilizer and fuel prices as of November-December 2009. All costs subject to change.

**Herbicide programs highly variable. Cost assumes managing Palmer Amaranth glyphosate resistance. Hand weeding may be needed.

PER ACRE NET RETURN* ABOVE VARIABLE COST AT VARIOUS PRICES, YIELD, and RENT

	0.62			0.67			0.72		
	600	700	800	600	700	800	600	700	800
35	-31.24	27.36	85.95	-1.24	62.36	125.95	28.76	97.36	165.95
45	-41.24	17.36	75.95	-11.24	52.36	115.95	18.76	87.36	155.95
55	-51.24	7.36	65.95	-21.24	42.36	105.95	8.76	77.36	145.95
65	-61.24	-2.64	55.95	-31.24	32.36	95.95	-1.24	67.36	135.95
75	-71.24	-12.64	45.95	-41.24	22.36	85.95	-11.24	57.36	125.95

* Net return excludes DCP on Payment Acres. Price should include POP/LDP if applicable. If applicable, cash price plus POP/LDP or Loan plus Gain or merchant Equity should be a minimum of 55 to 60 cents per lb. Any price used less than this will underestimate net returns.

Acres of This Crop		850										
New Price	Fixed Costs Per Year				Fixed Costs Share For This Crop				Repairs and Maintenance			
	% FC	Total FC	Hrs Use	FC/Hr	% Use	Hrs Use	Hrs/Ac	FC/Acre	Est RM	This Crop	Per Acre	
Tractors												
200 HP	140000	12.0	16800	400	42.00	30	120	0.14	5.93	3500	1050	1.24
165 HP	119000	12.0	14280	500	28.56	70	350	0.41	11.76	3000	2100	2.47
100 HP	67000	12.0	8040	500	16.08	30	150	0.18	2.84	1700	510	0.60
Hi-clearance sprayer	100000	14.0	14000	225	62.22	67	151	0.18	11.04	2750	1843	2.17
Picker	300000	14.0	42000	225	186.67	100	225	0.26	49.41	9000	9000	10.59
Totals			95120						80.97	19950	14503	17.06

Fuel Cost Per Gallon		2.50												
Job or Implement- Size	Total Farm Acres/Yr *	HP Used	Acres/Hr	Fixed Costs Per Year			Fixed Costs This Crop		Repairs and Maintenance			Fuel and Lube		
				New Price	% FC	Total FC	% Use	FC/Acre	Est RM	This Crop	Per Acre	Hrs/Ac	Gal/Hr	Cost/Ac
Spray 60 ft- preplant broadcast	7900	115	35.0			0		0.00		0	0.00	0.029	5.1	0.42
Rip/Strip/Plant- 6-row w/PRE	1700	200	8.5	45000	12.5	5625	50	3.31	1200	600	0.71	0.118	8.8	2.98
Spray 60 ft POST- OTT	7900	115	35.0			0		0.00		0	0.00	0.029	5.1	0.42
Spray 60 ft- pgr	7900	115	35.0			0		0.00		0	0.00	0.029	5.1	0.42
Spray 60 ft- insecticide	7900	115	35.0			0		0.00		0	0.00	0.029	5.1	0.42
Spray- POST Directed 8-row	1000	165	11.0	12000	12.5	1500	85	1.50	300	255	0.30	0.091	7.3	1.90
Nitrogen side dress	1200	165	11.5	18000	12.5	2250	70	1.85	450	315	0.37	0.087	7.3	1.82
Spray 60 ft- insecticide/pgr	7900	115	35.0			0		0.00		0	0.00	0.029	5.1	0.42
Spray 60 ft- defoliate	7900	115	35.0			0		0.00		0	0.00	0.029	5.1	0.42
						0		0.00		0	0.00		0.0	
						0		0.00		0	0.00		0.0	
						0		0.00		0	0.00		0.0	
						0		0.00		0	0.00		0.0	
Picker- 4 row	850	300	3.75			0		0.00		0	0.00	0.267	13.2	10.12
Boll Buggy	850	165	5.62	25000	12.5	3125	100	3.68	650	650	0.76	0.178	7.3	3.71
Module Builder	850	100	5.62			0		0.00		0	0.00	0.178	4.4	2.25
Mow/shred stalks- 20 ft	1200	165	15.00	22000	12.5	2750	70	2.26	500	350	0.41	0.067	7.3	1.39
						0		0.00		0	0.00		0.0	
Totals								12.60	3100	2170	2.55	1.16		26.66

* All acres for the implement including multiple trips over the field. Disking 800 acres 2 times would be 1,600 acres total. Spraying 900 acres 5 times would be 4,500 acres.

Developed by Don Shurley and Amanda Smith, Department of Agricultural and Applied Economics, University of Georgia.

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