

COTTON- Strip-Till, Irrigated
2011 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:	Irrigated	Seed Per Bag:*	233333
*Average of all Varieties and Technologies			

	Lbs/Acre	Avg Price*	Income/Ac	Cents/Lb
EXPECTED INCOME	1100	0.850	\$935.00	85.00
<i>*Prices highly variable. Average price received depends on market trends and marketing decisions.</i>				

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	16.50	16.50	1.50	
BWEP	Bale	2.22	0.65	1.44	0.13	
Cover Crop	Acre	1	0.00	0.00	0.00	
Seed, Tech Fees, and Treatments (Based on # Seed/Bag)						
Seeds Per Acre	39,930	Bag	0.171	500.00	85.56	7.78
Lime- Custom Spread		Ton	0.33	32.00	10.56	0.96
Fertilizers						
Nitrogen		Lbs	90	0.60	54.00	4.91
Phosphate (P2O5)		Lbs	70	0.45	31.50	2.86
Potash (K2O)		Lbs	70	0.50	35.00	3.18
Chicken Litter- Custom Spread		Tons	0	40.00	0.00	0.00
Boron		Lbs	0.5	6.25	3.13	0.28
Others		Acre	1	0.00	0.00	0.00
Weed Control**						
Pre-Plant Broadcast or PPI		Acre	1	6.25	6.25	0.57
At Planting or Pre-Emergence		Acre	1	26.65	26.65	2.42
Post-Emergence OTT		Acre	1	11.70	11.70	1.06
Post-Emergence Directed or Hood		Acre	1	11.20	11.20	1.02
Hand Weeding		Acre	1	0.00	0.00	0.00
Insect Control						
In-Furrow		Lbs	3.5	3.15	11.03	1.00
Spray- Worms		Appl	0	0.00	0.00	0.00
Spray- Stink Bugs, Other Pests		Appl	2	4.60	9.20	0.84
Scouting		Acre	1	10.00	10.00	0.91
Nematicide		Acre	1	0.00	0.00	0.00
PGR		Ounces	24	0.115	2.76	0.25
Boll Opener and Defoliant		Acre	1	15.50	15.50	1.41
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	11.06	2.85	31.53	2.87
Repairs and Maintenance		Acre	1	20.39	20.39	1.85
Labor	LT/MT 1.55	Hrs	2.09	11.25	23.53	2.14
Irrigation		Appl	7	10.00	70.00	6.36
Custom Picking		Acre	1	0.00	0.00	0.00
Interest on Operating	Months 6	\$487.43	0.50	6.50%	15.84	1.44
Ginning and Warehousing						
Ginning		Lbs	1100	0.080	88.00	8.00
Storage and Warehousing		Bale	2.22	10.50	23.33	2.12
Promotions, Boards, Classing		Bale	2.22	6.67	14.83	1.35
Cottonseed	% Gin T/O 38.0	Ton	0.75	130.00	-97.84	-8.89

TOTAL VARIABLE COSTS		\$531.59	48.33
NET RETURN ABOVE VARIABLE COST		\$403.41	36.67

Tractors and Sprayer	Acre	1	29.14	29.14	2.65
Equipment/Implements	Acre	1	8.88	8.88	0.81
Picker/BB/MB	Acre	1	49.54	49.54	4.50
Irrigation	Acre	1	110.00	110.00	10.00
Owned Land Charge	Acre	1	0.00	0.00	0.00
Misc Overhead	% of Var Costs	\$531.59	5.0%	26.58	2.42
Management	% of Var Costs	\$531.59	5.0%	26.58	2.42

TOTAL FIXED COSTS		\$250.73	22.79
TOTAL COST		\$782.32	71.12
NET RETURN		\$152.68	13.88

*Fertilizer and fuel prices as of December 2010 and projected 2011. 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

	0.750			0.850			0.950		
	1000	1100	1200	1000	1100	1200	1000	1100	1200
120	97.22	169.51	241.80	197.22	279.51	361.80	297.22	389.51	481.80
140	76.57	148.86	221.15	176.57	258.86	341.15	276.57	368.86	461.15
160	55.92	128.21	200.50	155.92	238.21	320.50	255.92	348.21	440.50
180	35.27	107.56	179.85	135.27	217.56	299.85	235.27	327.56	419.85
200	14.62	86.91	159.20	114.62	196.91	279.20	214.62	306.91	399.20

* Net return excludes Direct Payment on Base Payment Acres. No Countercyclical Payment expected.

Acres of This Crop	900	Fixed Costs Per Year			Fixed Costs Share For This Crop				Repairs and Maintenance			
		New Price	% FC	Total FC	Hrs Use	FC/Hr	% Use	Hrs Use	Hrs/Ac	FC/Acre	Est RM	This Crop
Tractors												
200 HP	140000	12.5	17500	400	43.75	25	100	0.11	4.86	4200	1050	1.17
165 HP	123000	12.5	15375	600	25.63	65	390	0.43	11.10	3700	2405	2.67
100 HP	62500	12.5	7813	500	15.63	30	150	0.17	2.60	1900	570	0.63
Hi-clearance sprayer	122000	13.0	15860	235	67.49	60	141	0.16	10.57	4000	2400	2.67
Picker	320000	13.0	41600	250	166.40	100	250	0.28	46.22	9600	9600	10.67
Totals			98148			67829			75.37	23400	16025	17.81

Fuel Cost Per Gallon	2.85	Total Farm			Fixed Costs Per Year			Fixed Costs This Crop		Repairs and Maintenance			Fuel and Lube		
		Job or Implement- Size	Acres/Yr*	HP Used	Acres/Hr	New Price	% FC	Total FC	% Use	FC/Acre	Est RM	This Crop	Per Acre	Hrs/Ac	Gal/Hr
Spray 60 ft- preplant broadcast	9000	150	38.0				0		0.00		0	0.00	0.026	6.6	0.57
Rip/Strip/Plant- 6-row w/PRE	1800	200	10.0	46500	13.0	6045	50	3.36	1350	675	0.75	0.100	8.8	2.88	
Spray 60 ft POST- OTT	9000	150	38.0			0		0.00		0	0.00	0.026	6.6	0.57	
Nitrogen side dress	1200	165	12.0	16000	13.0	2080	75	1.73	450	338	0.38	0.083	7.3	1.98	
Spray 60 ft- pgr	9000	150	38.0			0		0.00		0	0.00	0.026	6.6	0.57	
Spray- POST Directed 8-row	1200	165	12.0	12000	13.0	1560	75	1.30	350	263	0.29	0.083	7.3	1.98	
Spray 60 ft- insecticide/pgr	9000	150	38.0			0		0.00		0	0.00	0.026	6.6	0.57	
Spray 60 ft- insecticide	9000	150	38.0			0		0.00		0	0.00	0.026	6.6	0.57	
Spray 60 ft- defoliate	9000	150	38.0			0		0.00		0	0.00	0.026	6.6	0.57	
						0		0.00		0	0.00	0.00	0.0		
						0		0.00		0	0.00	0.00	0.0		
						0		0.00		0	0.00	0.00	0.0		
						0		0.00		0	0.00	0.00	0.0		
Picker- 4 row	900	300	3.55			0		0.00		0	0.00	0.282	13.2	12.19	
Boll Buggy	900	165	5.33	23000	13.0	2990	100	3.32	600	600	0.67	0.188	7.3	4.46	
Module Builder	900	100	5.33			0		0.00		0	0.00	0.188	4.4	2.71	
Mow/shred stalks- 20 ft	1200	165	12.5	23000	13.0	2990	75	2.49	600	450	0.50	0.080	7.3	1.90	
						0		0.00		0	0.00	0.00	0.0		
Totals						15665	10985	12.21	3350	2325	2.58	1.16	31.53		

* 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.

December 2010

ACKNOWLEDGEMENT

Special thanks to County Extension Agents, UGA Cotton Team, and industry representatives for providing data, input, and review/suggestions.

