

DARK FIRED TOBACCO BUDGET

2009 ESTIMATED CONTRACTED TOBACCO COSTS AND RETURNS

4,600 Plants per Acre

ITEM	DESCRIPTION	UNIT	AMOUNT	PRICE	TOTAL	TOTAL	YOUR
			(#/AC)	(\$/UNIT)	(\$/AC)	(\$/LB)	FARM
GROSS REVENUE							
Tobacco Sales	Dark Fired Tobacco	lb	2800	\$2.56	\$7,168.00	\$2.56	_____
VARIABLE COSTS							
Transplants	Purchased	1000	4.6	\$50.00	\$230.00	\$0.08	_____
Fertilization	Dolomite Lime - Spread	ton	1	\$27.00	\$27.00	\$0.01	_____
	Blended Fertilizer, 300-250-300	lb	1500	\$0.36	\$540.00	\$0.19	_____
	Ammonium Nitrate, 34-0-0	lb	300	\$0.21	\$63.00	\$0.02	_____
Herbicide	Spartan 4F	oz	8	\$4.61	\$36.88	\$0.01	_____
	Devrinol 50DF	lb	3	\$9.05	\$27.15	\$0.01	_____
Insecticide	Orthene 97G, 5 Applications (generic)	lb	3.75	\$9.00	\$33.75	\$0.01	_____
	Admire Pro	oz	4.4	\$7.58	\$33.35	\$0.01	_____
Fungicide	Quadris Flowable	oz	18	\$3.09	\$55.62	\$0.02	_____
Sucker Control	Prime plus	gal	1	\$72.50	\$72.50	\$0.03	_____
	Sucker Plucker	gal	2.5	\$17.50	\$43.75	\$0.02	_____
Cover crop	Wheat	50lb. bag	2	\$11.00	\$22.00	\$0.01	_____
Hired Labor *	Pre-Harvest, transplant to stick drop	hr	23.6	\$7.50	\$177.00	\$0.06	_____
	Harvest, cutting	hr	30	\$7.50	\$225.00	\$0.08	_____
	Harvest, loading and hanging	hr	22	\$7.50	\$165.00	\$0.06	_____
	Post Harvest, market preparation	hr	133	\$7.50	\$997.50	\$0.36	_____
Curing	Sawdust, Slabs	ac	1	\$500.00	\$500.00	\$0.18	_____
Machinery	Fuel/Oil, Repairs	ac	1	\$80.00	\$80.00	\$0.03	_____
Crop Insurance **		ac	1				_____
Custom Hire	Spraying (4 times)	ac	1	\$125.00	\$125.00	\$0.04	_____
Interest	Variable Costs, 6 months	\$	\$3,454.50	9.00%	\$155.45	\$0.06	_____
TOTAL VARIABLE COSTS					\$3,609.95	\$1.29	_____
RETURN OVER VARIABLE COSTS					\$3,558.05	\$1.27	_____
FIXED COSTS							
Machinery	Depreciation, Insurance, Storage	ac	1	\$43.00	\$43.00	\$0.02	_____
3-Tier Barn	Depreciation, Insurance	ac	1	\$350.00	\$350.00	\$0.13	_____
Tobacco Sticks	Depreciation at 8 years	ac	1	\$20.00	\$20.00	\$0.01	_____
Interest	Barns, Machinery	ac	1	\$195.00	\$195.00	\$0.07	_____
TOTAL FIXED COSTS					\$608.00	\$0.22	_____
RETURN TO LAND, OPERATOR LABOR AND MANAGEMENT					\$2,950.05	\$1.05	_____
Land	Value of Land/Rental Cost	ac	1	\$150.00	\$150.00	\$0.05	_____
RETURN TO OPERATORS LABOR AND MANAGEMENT					\$2,800.05	\$1.00	_____
Operator Labor	Unpaid Operator and/or Family Labor	hrs	87	\$7.50	\$652.50	\$0.23	_____
RETURN TO MANAGEMENT					\$2,147.55	\$0.77	_____

Revised January 2009 - Jerri Lynn Sims, Area Farm Management Specialist, UT Extension

*H2A Labor cost only. Does not include housing and transportation cost.

** Insert crop insurance cost. Variable ways to insure and an average price was difficult to acquire.

Use of trade or brand names is for clarity and information; it does not imply approval of the product to the exclusion of others which may be of similar, suitable composition, nor does it guarantee or warrant the standard of the product. Chemicals recommended were registered for the prescribed uses. Chemical registrations are continuously being reviewed. Should registration of a recommended chemical be canceled, it will no longer be recommended by The University of Tennessee. In order to protect people and the environment, chemicals should be used safely. This is everyone's responsibility. Read and follow label directions carefully before you buy, mix, apply, store or dispose of a chemical. According to laws regulating chemicals, they must be used only as directed by the label. Adjust the estimates as appropriate. This budget is intended as a guide only. Adjustments can be and should be made when needed.

**TABLE 1. PER ACRE RETURN OVER VARIABLE COSTS
AT VARYING YIELDS AND PRICES**

Yield per Acre	Average Sale Price Per Pound				
	\$2.30	\$2.40	\$2.50	\$2.60	\$2.70
1750	\$415	\$590	\$765	\$940	\$1,115
2000	\$990	\$1,190	\$1,390	\$1,590	\$1,790
2250	\$1,565	\$1,790	\$2,015	\$2,240	\$2,465
2500	\$2,140	\$2,390	\$2,640	\$2,890	\$3,140
2750	\$2,715	\$2,990	\$3,265	\$3,540	\$3,815
3000	\$3,290	\$3,590	\$3,890	\$4,190	\$4,490
3250	\$3,865	\$4,190	\$4,515	\$4,840	\$5,165
3500	\$4,440	\$4,790	\$5,140	\$5,490	\$5,840

**TABLE 2. PER ACRE RETURN TO MANAGEMENT
AT VARYING YIELDS AND PRICES**

Yield per Acre	Average Sale Price Per Pound				
	\$2.30	\$2.40	\$2.50	\$2.60	\$2.70
1750	-\$995	-\$820	-\$645	-\$470	-\$295
2000	-\$420	-\$220	-\$20	\$180	\$380
2250	\$155	\$380	\$605	\$830	\$1,055
2500	\$730	\$980	\$1,230	\$1,480	\$1,730
2750	\$1,305	\$1,580	\$1,855	\$2,130	\$2,405
3000	\$1,880	\$2,180	\$2,480	\$2,780	\$3,080
3250	\$2,455	\$2,780	\$3,105	\$3,430	\$3,755
3500	\$3,030	\$3,380	\$3,730	\$4,080	\$4,430

**TABLE 3 PER POUND RETURN OVER VARIABLE COSTS
AT VARYING YIELDS AND PRICES**

Yield per Acre	Average Sale Price Per Pound				
	\$2.30	\$2.40	\$2.50	\$2.60	\$2.70
1750	\$0.24	\$0.34	\$0.44	\$0.54	\$0.64
2000	\$0.50	\$0.60	\$0.70	\$0.80	\$0.90
2250	\$0.70	\$0.80	\$0.90	\$1.00	\$1.10
2500	\$0.86	\$0.96	\$1.06	\$1.16	\$1.26
2750	\$0.99	\$1.09	\$1.19	\$1.29	\$1.39
3000	\$1.10	\$1.20	\$1.30	\$1.40	\$1.50
3250	\$1.19	\$1.29	\$1.39	\$1.49	\$1.59
3500	\$1.27	\$1.37	\$1.47	\$1.57	\$1.67

**TABLE 4 PER POUND RETURN TO MANAGEMENT
AT VARYING YIELDS AND PRICES**

Yield per Acre	Average Sale Price Per Pound				
	\$2.30	\$2.40	\$2.50	\$2.60	\$2.70
1750	-\$0.57	-\$0.47	-\$0.37	-\$0.27	-\$0.17
2000	-\$0.21	-\$0.11	-\$0.01	\$0.09	\$0.19
2250	\$0.07	\$0.17	\$0.27	\$0.37	\$0.47
2500	\$0.29	\$0.39	\$0.49	\$0.59	\$0.69
2750	\$0.47	\$0.57	\$0.67	\$0.77	\$0.87
3000	\$0.63	\$0.73	\$0.83	\$0.93	\$1.03
3250	\$0.76	\$0.86	\$0.96	\$1.06	\$1.16
3500	\$0.87	\$0.97	\$1.07	\$1.17	\$1.27