

BURLEY TOBACCO BUDGET



2014 ESTIMATED COSTS AND RETURNS

7,000 Plants per Acre

ITEM	DESCRIPTION	UNIT	AMOUNT (Qty/AC)	PRICE (\$/UNIT)	TOTAL (\$/AC)	TOTAL (\$/LB)	YOUR FARM
GROSS REVENUE							
Tobacco Sales	Burley Tobacco	lb	2100	\$2.05	\$4,305.00	\$2.05	_____
VARIABLE COSTS							
Transplants	Purchased	1000	7	\$42.00	\$294.00	\$0.14	_____
Fertilization	Lime	ton	1	\$24.00	\$24.00	\$0.01	_____
	Blended Fertilizer, 9-18-27	lb	900	\$0.31	\$279.00	\$0.13	_____
	Urea, 46-0-0	lb	222	\$0.25	\$55.50	\$0.03	_____
Herbicide	Spartan Charge	oz	13	\$3.75	\$48.75	\$0.02	_____
	Command 3ME	pint	2	\$18.00	\$36.00	\$0.02	_____
Insecticide	Coragen	oz	5	\$7.50	\$37.50	\$0.02	_____
	Admire Pro	oz	7	\$2.20	\$15.40	\$0.01	_____
	Orthene 97G / acephate (1 appl.)	lb	1	\$8.75	\$8.75	\$0.00	_____
Fungicide	Ridomil Gold (1 pint rate)	pint	1	\$100.00	\$100.00	\$0.05	_____
	Quadris	oz	8	\$3.00	\$24.00	\$0.01	_____
Sucker Control	MH-30	gal	1.5	\$14.00	\$21.00	\$0.01	_____
	Prime plus	gal	0.5	\$84.00	\$42.00	\$0.02	_____
Cover Crop	Wheat	bu	2	\$13.00	\$26.00	\$0.01	_____
Hired Labor	Pre-Harvest, transplant to stick drop	hr	17.5	\$9.50	\$166.25	\$0.08	_____
	Harvest, cutting	sticks	1167	\$0.32	\$373.33	\$0.18	_____
	Harvest, loading and hanging	sticks	1167	\$0.18	\$210.00	\$0.10	_____
	Post Harvest, market preparation	hr	60.8	\$9.50	\$577.60	\$0.28	_____
Machinery	Fuel/Oil, Repairs	ac	1	\$120.00	\$120.00	\$0.06	_____
Supplies	Bale Twine or Wire, cardboard	ac	1	\$20.00	\$20.00	\$0.01	_____
Crop Insurance		lb	2100	\$0.10	\$210.00	\$0.10	_____
Interest	Variable Costs, 6 months	\$	\$2,479.08	4.00%	\$39.67	\$0.02	_____
TOTAL VARIABLE COSTS					\$2,728.75	\$1.30	_____
RETURN OVER VARIABLE COSTS					\$1,576.25	\$0.75	_____
FIXED COSTS							
Machinery	Depreciation, Insurance, Storage	ac	1	\$97.00	\$97.00	\$0.05	_____
3-Tier Barn	Depreciation, Insurance	ac	1	\$185.00	\$185.00	\$0.09	_____
Tobacco Sticks	Depreciated over 8 years	ac	1	\$25.00	\$25.00	\$0.01	_____
Interest	Barns, Machinery	ac	1	\$195.00	\$195.00	\$0.09	_____
TOTAL FIXED COSTS					\$502.00	\$0.24	_____
RETURN TO LAND, OPERATOR LABOR AND MANAGEMENT					\$1,074.25	\$0.51	_____
Land	Value of Land/Rental Cost	ac	1	\$150.00	\$150.00	\$0.07	_____
RETURN TO OPERATOR LABOR AND MANAGEMENT					\$924.25	\$0.44	_____
Operator Labor	Unpaid Operator and/or Family Labor	hrs	65.4	\$9.50	\$621.30	\$0.30	_____
RETURN TO MANAGEMENT					\$302.95	\$0.14	_____

Revised February 2014 - Alan B. Galloway, Area Farm Management Specialist

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 and should be made as needed.

TABLE 1. PER ACRE RETURN OVER VARIABLE COSTS AT VARYING YIELDS AND PRICES					
Yield per Acre	Average Sale Price Per Pound				
	\$1.85	\$1.95	\$2.05	\$2.15	\$2.25
1750	\$509	\$684	\$859	\$1,034	\$1,209
2000	\$971	\$1,171	\$1,371	\$1,571	\$1,771
2250	\$1,434	\$1,659	\$1,884	\$2,109	\$2,334
2500	\$1,896	\$2,146	\$2,396	\$2,646	\$2,896
2750	\$2,359	\$2,634	\$2,909	\$3,184	\$3,459
3000	\$2,821	\$3,121	\$3,421	\$3,721	\$4,021

TABLE 2. PER ACRE RETURN OVER VARIABLE AND FIXED COSTS AT VARYING YIELDS AND PRICES					
Yield per Acre	Average Sale Price Per Pound				
	\$1.85	\$1.95	\$2.05	\$2.15	\$2.25
1750	\$7	\$182	\$357	\$532	\$707
2000	\$469	\$669	\$869	\$1,069	\$1,269
2250	\$932	\$1,157	\$1,382	\$1,607	\$1,832
2500	\$1,394	\$1,644	\$1,894	\$2,144	\$2,394
2750	\$1,857	\$2,132	\$2,407	\$2,682	\$2,957
3000	\$2,319	\$2,619	\$2,919	\$3,219	\$3,519

TABLE 3. PER ACRE RETURN TO MANAGEMENT AT VARYING YIELDS AND PRICES					
Yield per Acre	Average Sale Price Per Pound				
	\$1.85	\$1.95	\$2.05	\$2.15	\$2.25
1750	-\$765	-\$590	-\$415	-\$240	-\$65
2000	-\$302	-\$102	\$98	\$298	\$498
2250	\$160	\$385	\$610	\$835	\$1,060
2500	\$623	\$873	\$1,123	\$1,373	\$1,623
2750	\$1,085	\$1,360	\$1,635	\$1,910	\$2,185
3000	\$1,548	\$1,848	\$2,148	\$2,448	\$2,748

TABLE 4. PER POUND RETURN OVER VARIABLE COSTS AT VARYING YIELDS AND PRICES					
Yield per Acre	Average Sale Price Per Pound				
	\$1.85	\$1.95	\$2.05	\$2.15	\$2.25
1750	\$0.29	\$0.39	\$0.49	\$0.59	\$0.69
2000	\$0.49	\$0.59	\$0.69	\$0.79	\$0.89
2250	\$0.64	\$0.74	\$0.84	\$0.94	\$1.04
2500	\$0.76	\$0.86	\$0.96	\$1.06	\$1.16
2750	\$0.86	\$0.96	\$1.06	\$1.16	\$1.26
3000	\$0.94	\$1.04	\$1.14	\$1.24	\$1.34

TABLE 5. PER POUND RETURN TO MANAGEMENT AT VARYING YIELDS AND PRICES					
Yield per Acre	Average Sale Price Per Pound				
	\$1.85	\$1.95	\$2.05	\$2.15	\$2.25
1750	-\$0.44	-\$0.34	-\$0.24	-\$0.14	-\$0.04
2000	-\$0.15	-\$0.05	\$0.05	\$0.15	\$0.25
2250	\$0.07	\$0.17	\$0.27	\$0.37	\$0.47
2500	\$0.25	\$0.35	\$0.45	\$0.55	\$0.65
2750	\$0.39	\$0.49	\$0.59	\$0.69	\$0.79
3000	\$0.52	\$0.62	\$0.72	\$0.82	\$0.92