



1999 TOBACCO PRODUCTION BUDGET

ITEM	EXPLANATION	PRICE PER UNIT	YIELD (lb/A)			YOUR BUDGET
			2000	2500	3000	
RECEIPTS						
Tobacco		\$1.90 /lb	\$3,800	\$4,750	\$5,700	_____
VARIABLE COSTS						
Transplants						
bought transplants	7000 plants/A	35 /1000 plants	245	245	245	_____
grown transplants	7000 plants/A	20 /1000 plants				_____
Fertilizer ¹						
N (lbs.)	200 225 275	0.27 /lb	54	61	74	_____
P2O5(lbs)	100 130 160	0.29 /lb	29	38	46	_____
K2O(lbs)	200 250 300	0.30 /lb	60	75	90	_____
Lime(lbs)	2000	17.5 /ton	18	18	18	_____
Chemicals						
Herbicides ²			25	40	55	_____
Insecticides ³			25	36	66	_____
Fungicides ⁴			40	119	184	_____
Sucker Control			30	30	30	_____
Cover Crop	Wheat		20	20	20	_____
Crop Insurance			0	140	180	_____
Fuel, Oil, Grease			100	110	120	_____
Repairs- Buildings and Equipment			150	175	200	_____
Int. on Oper. Cap. ⁵	796 6 mo	9.0%	36	39	49	_____
Marketing						
Government		0.032 /lb	64	80	96	_____
Warehouse		6.0 %	228	285	342	_____
Grading Fee		0.83 /cwt	17	21	25	_____
Hired Labor						
TOTAL VARIABLE COSTS		-Per Acre	1140	1530	1840	_____
		-Per Pound	0.57	0.61	0.61	_____
FIXED COSTS						
Quota Lease ⁶		0.20 /lb	400	500	600	_____
Labor Charge ⁷	170 185 200	7.50 /hr	1275	1388	1500	_____
Mach. And Equip. Charge			500	500	500	_____
Sticks	1200	20 /100 sticks	12	12	12	_____
Building Charge	2500	17 %	425	425	425	_____
Land Charge ⁸			70	85	100	_____
Management Charge	5% of gross revenue		190	238	285	_____
TOTAL FIXED COSTS			2872	3147	3422	_____
TOTAL COSTS		-Per Acre	4012	4677	5262	_____
		-Per Pound	2.01	1.87	1.75	_____
RETURN ABOVE VARIABLE COSTS			2660	3220	3860	_____
RETURN ABOVE TOTAL COSTS			(212)	73	438	_____

1. Fertilizer prices based on southern Ohio retail prices
2. Devnrol + Prowl, Spartan, Spartan+Command for the three respective yield levels
3. Orthene(2 lb.), Admire, Admire+Orthene (2 lb.) for the three respective yield levels
4. Ridomail (1/2 pt/A), Ridomil 1pt./A + Acrobat 3 lb/A, Ridomil 1 pt./A+Acrobat 8lb./A for the three respective yield levels
5. Interest charged for 6 months at 9% interest rate.
6. Quota lease charge may be \$0 if quota is owned
7. Part or all of labor may be a variable cost if paid labor varies with acres farmed.
 It's a fixed cost if labor costs do not change with acres farmed.
8. Average based on 1996 data. Land charges vary throughout the state, check your local rates.