

# BURLEY TOBACCO BUDGET



## 2009 ESTIMATED COSTS AND RETURNS

7,000 Plants per Acre

ITEM	DESCRIPTION	UNIT	AMOUNT (Qty/AC)	PRICE (\$/UNIT)	TOTAL (\$/AC)	YOUR FARM
<b>GROSS REVENUE</b>						
Tobacco Sales	Burley Tobacco	lb	2100	\$1.73	\$3,633.00	_____
<b>VARIABLE COSTS</b>						
Transplants	Purchased	1000	7	\$38.00	\$266.00	_____
Fertilization	Lime	ton	1	\$25.00	\$25.00	_____
	Blended Fertilizer, 9-18-27	lb	900	\$0.46	\$414.00	_____
	Ammonium Nitrate, 34-0-0	lb	300	\$0.21	\$63.00	_____
Herbicide	Spartan 4F	oz	10.1	\$3.30	\$33.33	_____
	Command 3ME	pint	2	\$12.50	\$25.00	_____
Insecticide	Orthene 97G, 3 Applications	lb	4.5	\$9.75	\$43.88	_____
	Admire Pro	oz	7	\$6.60	\$46.20	_____
Fungicide	Ridomil Gold (1 pint rate)	pint	1	\$98.00	\$98.00	_____
	Actigard 50WG	appl	2	\$29.00	\$58.00	_____
Sucker Control	MH-30	gal	1.5	\$13.00	\$19.50	_____
	Prime plus	gal	0.5	\$70.00	\$35.00	_____
Cover Crop	Wheat	bu	2	\$9.00	\$18.00	_____
Hired Labor	Pre-Harvest, transplant to stick drop	hr	17.5	\$9.00	\$157.50	_____
	Harvest, cutting	sticks	1167	\$0.29	\$338.33	_____
	Harvest, loading and hanging	sticks	1167	\$0.17	\$198.33	_____
	Post Harvest, market preparation	hr	60.8	\$9.00	\$547.20	_____
Machinery	Fuel/Oil, Repairs	ac	1	\$110.41	\$110.41	_____
Supplies	Bale Twine or Wire	ac	1	\$14.00	\$14.00	_____
Crop Insurance		lb	2100	\$0.07	\$147.00	_____
Interest	Variable Costs, 6 months	\$	\$2,510.68	8.00%	\$80.34	_____
<b>TOTAL VARIABLE COSTS</b>					<b>\$2,738.02</b>	_____
<b>RETURN OVER VARIABLE COSTS</b>					<b>\$894.98</b>	_____
<b>FIXED COSTS</b>						
Machinery	Depreciation, Insurance, Storage	ac	1	\$97.00	\$97.00	_____
3-Tier Barn	Depreciation, Insurance	ac	1	\$185.00	\$185.00	_____
Tobacco Sticks	Depreciated over 8 years	ac	1	\$25.00	\$25.00	_____
Interest	Barns, Machinery	ac	1	\$195.00	\$195.00	_____
<b>TOTAL FIXED COSTS</b>					<b>\$502.00</b>	_____
<b>RETURN TO LAND, OPERATOR LABOR AND MANAGEMENT</b>					<b>\$392.98</b>	_____
Land	Value of Land/Rental Cost	ac	1	\$125.00	\$125.00	_____
<b>RETURN TO OPERATOR LABOR AND MANAGEMENT</b>					<b>\$267.98</b>	_____
Operator Labor	Unpaid Operator and/or Family Labor	hrs	65.4	\$9.00	\$588.60	_____
<b>RETURN TO MANAGEMENT</b>					<b>-\$320.62</b>	_____

Revised February 2009 - 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.

<b>TABLE 1. PER ACRE RETURN OVER VARIABLE COSTS AT VARYING YIELDS AND PRICES</b>					
<b>Yield per Acre</b>	<b>Average Sale Price Per Pound</b>				
	\$1.50	\$1.60	\$1.70	\$1.80	\$1.90
1750	-\$113	\$62	\$237	\$412	\$587
2000	\$262	\$462	\$662	\$862	\$1,062
2250	\$637	\$862	\$1,087	\$1,312	\$1,537
2500	\$1,012	\$1,262	\$1,512	\$1,762	\$2,012
2750	\$1,387	\$1,662	\$1,937	\$2,212	\$2,487
3000	\$1,762	\$2,062	\$2,362	\$2,662	\$2,962

<b>TABLE 2. PER ACRE RETURN OVER VARIABLE AND FIXED COSTS AT VARYING YIELDS AND PRICES</b>					
<b>Yield per Acre</b>	<b>Average Sale Price Per Pound</b>				
	\$1.50	\$1.60	\$1.70	\$1.80	\$1.90
1750	-\$615	-\$440	-\$265	-\$90	\$85
2000	-\$240	-\$40	\$160	\$360	\$560
2250	\$135	\$360	\$585	\$810	\$1,035
2500	\$510	\$760	\$1,010	\$1,260	\$1,510
2750	\$885	\$1,160	\$1,435	\$1,710	\$1,985
3000	\$1,260	\$1,560	\$1,860	\$2,160	\$2,460

<b>TABLE 3. PER ACRE RETURN TO MANAGEMENT AT VARYING YIELDS AND PRICES</b>					
<b>Yield per Acre</b>	<b>Average Sale Price Per Pound</b>				
	\$1.50	\$1.60	\$1.70	\$1.80	\$1.90
1750	-\$1,329	-\$1,154	-\$979	-\$804	-\$629
2000	-\$954	-\$754	-\$554	-\$354	-\$154
2250	-\$579	-\$354	-\$129	\$96	\$321
2500	-\$204	\$46	\$296	\$546	\$796
2750	\$171	\$446	\$721	\$996	\$1,271
3000	\$546	\$846	\$1,146	\$1,446	\$1,746

<b>TABLE 4. PER POUND RETURN OVER VARIABLE COSTS AT VARYING YIELDS AND PRICES</b>					
<b>Yield per Acre</b>	<b>Average Sale Price Per Pound</b>				
	\$1.50	\$1.60	\$1.70	\$1.80	\$1.90
1750	-\$0.06	\$0.04	\$0.14	\$0.24	\$0.34
2000	\$0.13	\$0.23	\$0.33	\$0.43	\$0.53
2250	\$0.28	\$0.38	\$0.48	\$0.58	\$0.68
2500	\$0.40	\$0.50	\$0.60	\$0.70	\$0.80
2750	\$0.50	\$0.60	\$0.70	\$0.80	\$0.90
3000	\$0.59	\$0.69	\$0.79	\$0.89	\$0.99

<b>TABLE 5. PER POUND RETURN TO MANAGEMENT AT VARYING YIELDS AND PRICES</b>					
<b>Yield per Acre</b>	<b>Average Sale Price Per Pound</b>				
	\$1.50	\$1.60	\$1.70	\$1.80	\$1.90
1750	-\$0.76	-\$0.66	-\$0.56	-\$0.46	-\$0.36
2000	-\$0.48	-\$0.38	-\$0.28	-\$0.18	-\$0.08
2250	-\$0.26	-\$0.16	-\$0.06	\$0.04	\$0.14
2500	-\$0.08	\$0.02	\$0.12	\$0.22	\$0.32
2750	\$0.06	\$0.16	\$0.26	\$0.36	\$0.46
3000	\$0.18	\$0.28	\$0.38	\$0.48	\$0.58

# DARK AIR CURED 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
<b>GROSS REVENUE</b>							
Tobacco Sales	Dark Air Cured Tobacco	lb	2600	\$2.30	\$5,980.00	\$2.30	_____
<b>VARIABLE COSTS</b>							
Transplants	Purchased	1000	4.6	\$50.00	\$230.00	\$0.09	_____
Fertilization	Dolomite Lime - Spread	ton	1	\$27.00	\$27.00	\$0.01	_____
	Blended Fertilizer, 300-250-300	lb	1500	\$0.36	\$540.00	\$0.21	_____
	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, 2 Applications	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	\$0.07	_____
	Harvest, cutting	hr	30	\$7.50	\$225.00	\$0.09	_____
	Harvest, loading and hanging	hr	22	\$7.50	\$165.00	\$0.06	_____
	Post Harvest, market preparation	hr	133	\$7.50	\$997.50	\$0.38	_____
Machinery	Fuel/Oil, Repairs	ac	1	\$80.00	\$80.00	\$0.03	_____
Crop Insurance **		ac					_____
Custom Hire	Spraying (4 times)	ac	1	\$125.00	\$125.00	\$0.05	_____
Interest	Variable Costs, 6 months	\$	\$2,954.50	9.00%	\$132.95	\$0.05	_____
<b>TOTAL VARIABLE COSTS</b>					<b>\$3,087.45</b>	<b>\$1.19</b>	_____
<b>RETURN OVER VARIABLE COSTS</b>					<b>\$2,892.55</b>	<b>\$1.11</b>	_____
<b>FIXED COSTS</b>							
Machinery	Depreciation, Insurance, Storage	ac	1	\$43.00	\$43.00	\$0.02	_____
3-Tier Barn	Depreciation, Insurance	ac	1	\$185.00	\$185.00	\$0.07	_____
Tobacco Sticks	Depreciation at 8 years	ac	1	\$20.00	\$20.00	\$0.01	_____
Interest	Barns, Machinery	ac	1	\$195.00	\$195.00	\$0.08	_____
<b>TOTAL FIXED COSTS</b>					<b>\$443.00</b>	<b>\$0.17</b>	_____
<b>RETURN TO LAND, OPERATOR LABOR AND MANAGEMENT</b>					<b>\$2,449.55</b>	<b>\$0.94</b>	_____
Land	Value of Land/Rental Cost	ac	1	\$150.00	\$150.00	\$0.06	_____
<b>RETURN TO OPERATORS LABOR AND MANAGEMENT</b>					<b>\$2,299.55</b>	<b>\$0.88</b>	_____
Operator Labor	Unpaid Operator and/or Family Labor	hrs	87	\$7.50	\$652.50	\$0.25	_____
<b>RETURN TO MANAGEMENT</b>					<b>\$1,647.05</b>	<b>\$0.63</b>	_____

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				
	\$2.20	\$2.25	\$2.30	\$2.35	\$2.40
1750	\$763	\$850	\$938	\$1,025	\$1,113
2000	\$1,313	\$1,413	\$1,513	\$1,613	\$1,713
2250	\$1,863	\$1,975	\$2,088	\$2,200	\$2,313
2500	\$2,413	\$2,538	\$2,663	\$2,788	\$2,913
2750	\$2,963	\$3,100	\$3,238	\$3,375	\$3,513
3000	\$3,513	\$3,663	\$3,813	\$3,963	\$4,113
3250	\$4,063	\$4,225	\$4,388	\$4,550	\$4,713
3500	\$4,613	\$4,788	\$4,963	\$5,138	\$5,313

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

Yield per Acre	Average Sale Price Per Pound				
	\$2.20	\$2.25	\$2.30	\$2.35	\$2.40
1750	-\$483	-\$395	-\$308	-\$220	-\$133
2000	\$67	\$167	\$267	\$367	\$467
2250	\$617	\$730	\$842	\$955	\$1,067
2500	\$1,167	\$1,292	\$1,417	\$1,542	\$1,667
2750	\$1,717	\$1,855	\$1,992	\$2,130	\$2,267
3000	\$2,267	\$2,417	\$2,567	\$2,717	\$2,867
3250	\$2,817	\$2,980	\$3,142	\$3,305	\$3,467
3500	\$3,367	\$3,542	\$3,717	\$3,892	\$4,067

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

Yield per Acre	Average Sale Price Per Pound				
	\$2.20	\$2.25	\$2.30	\$2.35	\$2.40
1750	\$0.44	\$0.49	\$0.54	\$0.59	\$0.64
2000	\$0.66	\$0.71	\$0.76	\$0.81	\$0.86
2250	\$0.83	\$0.88	\$0.93	\$0.98	\$1.03
2500	\$0.97	\$1.02	\$1.07	\$1.12	\$1.17
2750	\$1.08	\$1.13	\$1.18	\$1.23	\$1.28
3000	\$1.17	\$1.22	\$1.27	\$1.32	\$1.37
3250	\$1.25	\$1.30	\$1.35	\$1.40	\$1.45
3500	\$1.32	\$1.37	\$1.42	\$1.47	\$1.52

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

Yield per Acre	Average Sale Price Per Pound				
	\$2.20	\$2.25	\$2.30	\$2.35	\$2.40
1750	-\$0.28	-\$0.23	-\$0.18	-\$0.13	-\$0.08
2000	\$0.03	\$0.08	\$0.13	\$0.18	\$0.23
2250	\$0.27	\$0.32	\$0.37	\$0.42	\$0.47
2500	\$0.47	\$0.52	\$0.57	\$0.62	\$0.67
2750	\$0.62	\$0.67	\$0.72	\$0.77	\$0.82
3000	\$0.76	\$0.81	\$0.86	\$0.91	\$0.96
3250	\$0.87	\$0.92	\$0.97	\$1.02	\$1.07
3500	\$0.96	\$1.01	\$1.06	\$1.11	\$1.16

# 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
<b>GROSS REVENUE</b>							
Tobacco Sales	Dark Fired Tobacco	lb	2800	\$2.56	\$7,168.00	\$2.56	_____
<b>VARIABLE COSTS</b>							
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	_____
<b>TOTAL VARIABLE COSTS</b>					<b>\$3,609.95</b>	<b>\$1.29</b>	_____
<b>RETURN OVER VARIABLE COSTS</b>					<b>\$3,558.05</b>	<b>\$1.27</b>	_____
<b>FIXED COSTS</b>							
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	_____
<b>TOTAL FIXED COSTS</b>					<b>\$608.00</b>	<b>\$0.22</b>	_____
<b>RETURN TO LAND, OPERATOR LABOR AND MANAGEMENT</b>					<b>\$2,950.05</b>	<b>\$1.05</b>	_____
Land	Value of Land/Rental Cost	ac	1	\$150.00	\$150.00	\$0.05	_____
<b>RETURN TO OPERATORS LABOR AND MANAGEMENT</b>					<b>\$2,800.05</b>	<b>\$1.00</b>	_____
Operator Labor	Unpaid Operator and/or Family Labor	hrs	87	\$7.50	\$652.50	\$0.23	_____
<b>RETURN TO MANAGEMENT</b>					<b>\$2,147.55</b>	<b>\$0.77</b>	_____

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

# DARK FIRED WRAPPER TOBACCO BUDGET

## 2009 ESTIMATED CONTRACTED TOBACCO COSTS AND RETURNS

4,600 Plants per Acre

ITEM	DESCRIPTION	UNIT	AMOUNT (#/AC)	PRICE (\$/UNIT)	TOTAL (\$/AC)	TOTAL (\$/LB)	YOUR FARM
<b>GROSS REVENUE</b>							
Tobacco Sales	Dark Fired Wrapper Tobacco	lb	2400	\$3.91	\$9,384.00	\$3.91	_____
<b>VARIABLE COSTS</b>							
Transplants	Purchased	1000	4.6	\$50.00	\$230.00	\$0.10	_____
Fertilization	Dolomite Lime - Spread	ton	1	\$27.00	\$27.00	\$0.01	_____
	Blended Fertilizer, 300-250-300	lb	1500	\$0.36	\$540.00	\$0.23	_____
	Ammonium Nitrate, 34-0-0	lb	300	\$0.21	\$63.00	\$0.03	_____
Herbicide	Spartan 4F	oz	8	\$4.61	\$36.88	\$0.02	_____
	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, 2 Applications	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	\$0.07	_____
	Harvest, cutting	hr	35	\$7.50	\$262.50	\$0.11	_____
	Harvest, loading and hanging	hr	28	\$7.50	\$210.00	\$0.09	_____
	Post Harvest, market preparation	hr	180	\$7.50	\$1,350.00	\$0.56	_____
Curing	Sawdust, Slabs	ac	1	\$500.00	\$500.00	\$0.21	_____
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	\$0.05	_____
Interest	Variable Costs, 6 months	\$	\$3,889.50	9.00%	\$175.03	\$0.07	_____
<b>TOTAL VARIABLE COSTS</b>					<b>\$4,064.53</b>	<b>\$1.69</b>	_____
<b>RETURN OVER VARIABLE COSTS</b>					<b>\$5,319.47</b>	<b>\$2.22</b>	_____
<b>FIXED COSTS</b>							
Machinery	Depreciation, Insurance, Storage	ac	1	\$43.00	\$43.00	\$0.02	_____
3-Tier Barn	Depreciation, Insurance	ac	1	\$350.00	\$350.00	\$0.15	_____
Tobacco Sticks	Depreciation at 8 years	ac	1	\$20.00	\$20.00	\$0.01	_____
Interest	Barns, Machinery	ac	1	\$195.00	\$195.00	\$0.08	_____
<b>TOTAL FIXED COSTS</b>					<b>\$608.00</b>	<b>\$0.25</b>	_____
<b>RETURN TO LAND, OPERATOR LABOR AND MANAGEMENT</b>					<b>\$4,711.47</b>	<b>\$1.96</b>	_____
Land	Value of Land/Rental Cost	ac	1	\$150.00	\$150.00	\$0.06	_____
<b>RETURN TO OPERATORS LABOR AND MANAGEMENT</b>					<b>\$4,561.47</b>	<b>\$1.90</b>	_____
Operator Labor	Unpaid Operator and/or Family Labor	hrs	117	\$7.50	\$877.50	\$0.37	_____
<b>RETURN TO MANAGEMENT</b>					<b>\$3,683.97</b>	<b>\$1.53</b>	_____

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				
	\$2.25	\$3.05	\$3.80	\$4.20	\$4.60
1750	-\$127	\$1,273	\$2,585	\$3,285	\$3,985
2000	\$435	\$2,035	\$3,535	\$4,335	\$5,135
2250	\$998	\$2,798	\$4,485	\$5,385	\$6,285
2500	\$1,560	\$3,560	\$5,435	\$6,435	\$7,435
2750	\$2,123	\$4,323	\$6,385	\$7,485	\$8,585
3000	\$2,685	\$5,085	\$7,335	\$8,535	\$9,735
3250	\$3,248	\$5,848	\$8,285	\$9,585	\$10,885
3500	\$3,810	\$6,610	\$9,235	\$10,635	\$12,035

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

Yield per Acre	Average Sale Price Per Pound				
	\$2.25	\$3.05	\$3.80	\$4.20	\$4.60
1750	-\$1,763	-\$363	\$950	\$1,650	\$2,350
2000	-\$1,200	\$400	\$1,900	\$2,700	\$3,500
2250	-\$638	\$1,162	\$2,850	\$3,750	\$4,650
2500	-\$75	\$1,925	\$3,800	\$4,800	\$5,800
2750	\$487	\$2,687	\$4,750	\$5,850	\$6,950
3000	\$1,050	\$3,450	\$5,700	\$6,900	\$8,100
3250	\$1,612	\$4,212	\$6,650	\$7,950	\$9,250
3500	\$2,175	\$4,975	\$7,600	\$9,000	\$10,400

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

Yield per Acre	Average Sale Price Per Pound				
	\$2.25	\$3.05	\$3.80	\$4.20	\$4.60
1750	-\$0.07	\$0.73	\$1.48	\$1.88	\$2.28
2000	\$0.22	\$1.02	\$1.77	\$2.17	\$2.57
2250	\$0.44	\$1.24	\$1.99	\$2.39	\$2.79
2500	\$0.62	\$1.42	\$2.17	\$2.57	\$2.97
2750	\$0.77	\$1.57	\$2.32	\$2.72	\$3.12
3000	\$0.90	\$1.70	\$2.45	\$2.85	\$3.25
3250	\$1.00	\$1.80	\$2.55	\$2.95	\$3.35
3500	\$1.09	\$1.89	\$2.64	\$3.04	\$3.44

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

Yield per Acre	Average Sale Price Per Pound				
	\$2.25	\$3.05	\$3.80	\$4.20	\$4.60
1750	-\$1.01	-\$0.21	\$0.54	\$0.94	\$1.34
2000	-\$0.60	\$0.20	\$0.95	\$1.35	\$1.75
2250	-\$0.28	\$0.52	\$1.27	\$1.67	\$2.07
2500	-\$0.03	\$0.77	\$1.52	\$1.92	\$2.32
2750	\$0.18	\$0.98	\$1.73	\$2.13	\$2.53
3000	\$0.35	\$1.15	\$1.90	\$2.30	\$2.70
3250	\$0.50	\$1.30	\$2.05	\$2.45	\$2.85
3500	\$0.62	\$1.42	\$2.17	\$2.57	\$2.97