

RETURNS FROM SUGAR BEETS

| NSP per 100# Sugar: | 13% | 14% | 15% | 16% | 17% | 18% |
|------------------------|----------|-------|-------|-------|-------|-------|
| \$ 6.50 | \$ 8.14 | 8.81 | 9.48 | 10.16 | 10.85 | 11.54 |
| \$ 7.00 | \$ 9.00 | 9.73 | 10.47 | 11.22 | 11.97 | 12.73 |
| \$ 7.50 | \$ 9.85 | 10.65 | 11.46 | 12.27 | 13.09 | 13.91 |
| \$ 8.00 | \$ 10.50 | 11.35 | 12.21 | 13.07 | 13.94 | 14.81 |
| Est. Govt. Payment | \$ 1.89 | 2.03 | 2.18 | 2.32 | 2.47 | 2.61 |

Comments to Sample Costs

1. Labor rates shown are assumed to include Social Security, Compensation Insurance and all other non-cash benefits.
2. Interest on investment (equipment) is based on \$31,300 total cost, i.e. \$123 per acre. Depreciation is charged at \$11.19 per acre taking into consideration the varying lifetime of the equipment.
3. Some growers may be faced with additional costs such as soil fumigation, insecticides, herbicides, or replant problems.
4. Certain operations, such as chemical weed control and mechanical thinning, may reduce hand labor costs.

GROWER RETURN UNDER VARIOUS YIELDS AND PRICES

FOR SUGAR BEETS

Price Per Ton

| Yield Tons/Acre | | 10 | 12 | 13.50 | 15 |
|--------------------|--------------|---------------|---------------|---------------|---------------|
| 18 | GROSS RETURN | 180.00 | 216.00 | 243.00 | 270.00 |
| | Cost | <u>222.74</u> | <u>229.94</u> | <u>235.34</u> | <u>240.74</u> |
| | Profit | - 42.74 | - 13.94 | + 7.66 | + 29.26 |
| 20 | GROSS RETURN | 200.00 | 240.00 | 270.00 | 300.00 |
| | Cost | <u>232.16</u> | <u>240.16</u> | <u>246.16</u> | <u>252.16</u> |
| | Profit | - 32.16 | - .16 | + 23.84 | + 47.84 |
| 25 | GROSS RETURN | 250.00 | 300.00 | 337.50 | 375.00 |
| | Cost | <u>255.71</u> | <u>265.71</u> | <u>273.21</u> | <u>280.71</u> |
| | Profit | - 5.71 | + 34.29 | + 64.29 | + 94.29 |
| 30 | GROSS RETURN | 300.00 | 360.00 | 405.00 | 450.00 |
| | Cost | <u>279.26</u> | <u>291.26</u> | <u>300.26</u> | <u>309.26</u> |
| | Profit | + 20.74 | + 68.74 | +104.74 | +140.74 |
| 35 | GROSS RETURN | 350.00 | 420.00 | 472.50 | 525.00 |
| | Cost | <u>302.81</u> | <u>316.81</u> | <u>327.31</u> | <u>337.81</u> |
| | Profit | + 47.19 | +103.19 | +145.19 | +187.19 |

As Reed

**SAMPLE COSTS OF GROWING SUGAR BEETS
in San Joaquin County**

by

Franz Kegel, Farm Advisor, and Philip S. Parsons, Extension Economist

- 1) Assumed is a 300-acre operation with 100 acres in sugar beets, 100 acres in tomatoes and 100 acres in grain.
- 2) Yield: 25 tons per acre.
- 3) Hourly cash labor rates: Tractor driver \$1.50, irrigation and other labor \$1.25.
- 4) Tractor cash costs: 60 H.P. Crawler \$3.00 per hour, 30 H.P. Wheel \$1.00 per hour.

Cash and Labor Cost per Acre

| Operation | Hours per Acre | Labor | Fuel and Repair | Materials | Total |
|--|----------------|--------------|-----------------|--|-----------------------|
| Cultural: | | | | | |
| Plow | .5 | .75 | 1.65 | | \$ 2.40 |
| Disk (2) | .5 | .75 | 1.70 | | 2.45 |
| Land plane (2) | .5 | .75 | 1.80 | | 2.55 |
| Coil shank | .25 | .38 | .35 | | .73 |
| Bed up and pre-fertilize | | | | Contract \$2.75+200 lbs. 8-24-0 \$82/T = | 10.95 10.95 |
| Shape bed and plant | .66 | .99 | .87 | Seed 5# @ .75 | 3.75 5.61 |
| Thin | | | | Contract | 17.00 17.00 |
| Sidedress 100# N. fert. | | | | 100 lbs. N.contract 14c/lb.applied | 14.00 14.00 |
| Cultivate (5) | 2.5 | 3.75 | 2.88 | | 6.63 |
| Hand weed (2-3) long handle hoe | 16.0 | 20.00 | | | 20.00 |
| Irrigate (7 X) | 7.0 | 8.75 | | 5 acre ft.@ \$3.75 | 18.75 27.50 |
| Open and close ditches | 1.0 | 1.50 | 3.15 | | 4.65 |
| Misc. 5% of cash | 1.0 | 1.50 | 3.40 | | 3.70 8.60 |
| TOTAL CULTURAL | 29.91 | 39.12 | 15.80 | | \$68.15 123.07 |
| Harvest: | | | | | |
| Dig | | | | Contract 1.50/T. | 37.50 37.50 |
| Haul 35c + 3c/mile/Ton-Ave. 12 Mi. haul | | | | Contract 1.21/T. | 30.25 30.25 |
| TOTAL HARVEST | | | | | 67.75 67.75 |
| TOTAL CASH & LABOR COST (before rent) | | 39.12 | 15.80 | | 135.90 190.82 |
| Interest on investment @ 6% | | | | | 3.70 |
| Depreciation on equipment \$123 value per acre | | | | | 11.19 |
| Rent 20% = 5T @ \$13.50 | | | | | 67.50 |
| Total Cost per Acre | | | | | |
| Cost per ton at 25 ton yield = \$10.93 | | | | | 273.21 |