

**NC STATE UNIVERSITY**  
**CORN ORGANIC PRODUCTION**

ESTIMATED COSTS AND RETURNS PER ACRE  
 75 BUSHEL YIELD, 2007

	UNIT	QUANTITY	PRICE OR COST/UNIT	TOTAL PER ACRE	YOUR FARM
<b>1. GROSS RECEIPTS</b>					
Corn	BU.	75.00	\$6.00	\$450.00	_____
TOTAL RECEIPTS:				<b>\$450.00</b>	_____
<b>2. VARIABLE COSTS</b>					
SEED	THOU.	35.00	\$1.49	\$52.15	_____
FERTILIZER					
LIME (PRORATED)	TON	0.33	\$42.50	\$14.03	_____
CHICKEN LITTER	TON	3.50	\$14.00	\$49.00	_____
TRACTOR/MACHINERY	ACRE	1.00	\$44.07	\$44.07	_____
DRYING	BU.	75.00	\$0.12	\$9.00	_____
COVER CROP	ACRE	1.00	\$20.00	\$20.00	_____
HAULING	BU.	0.00	\$0.35	\$0.00	_____
STORAGE	BU.	75.00	\$0.40	\$30.00	_____
LABOR	HRS	2.28	\$8.51	\$19.40	_____
INTEREST ON OP. CAP.	DOL.	\$55.13	8.0%	\$4.41	_____
TOTAL VARIABLE COSTS:				<b>\$242.06</b>	_____
<b>3. INCOME ABOVE VARIABLE COSTS:</b>				<b>\$207.94</b>	_____
<b>4. FIXED COSTS</b>					
TRACTOR/MACHINERY	ACRE	1.00	\$57.82	\$57.82	_____
*TRANSITION COSTS	ACRE	1.00	\$38.08	\$38.08	_____
**ORGANIC CERTIFICATION	ACRE				_____
TOTAL FIXED COSTS:				<b>\$95.90</b>	_____
<b>6. TOTAL COSTS:</b>				<b>\$337.96</b>	_____
<b>7. NET RETURNS TO LAND, RISK AND MANAGEMENT:</b>				<b>\$112.04</b>	_____

<u>BREAK-EVEN YIELD @\$6/bu</u>		<u>BREAK-EVEN PRICE @75bu yield</u>	
VARIABLE COSTS	40 BU.	VARIABLE COSTS	\$3.23
TOTAL COSTS	56 BU.	TOTAL COSTS	\$4.51

PLEASE NOTE: THIS BUDGET IS FOR PLANNING PURPOSES ONLY.

\*TRANSITION COST IS THREE YEAR PERIOD OF CONVERSION

FROM CONVENTION PRODUCTION TO ORGANIC AMORTIZED AT 8% FOR 10 YEARS

\*\*ORGANIC CERTIFICATION COSTS VARY BUT ESTIMATED TO BE \$16 /ACRE FOR 40 ACRES

<b>CORN ORGANIC PRODUCTION</b>						
<b>PER ACRE MACHINERY AND LABOR REQUIREMENTS FOR 75 BUSHEL CORN</b>						
MONTH	OPERATION	TIMES OVER	LABOR HOURS	MACHINE HOURS	VARIABLE COSTS	FIXED COSTS
3	HEAVY DISK 16'	2.00	0.26	0.24	\$6.44	\$7.48
4	TRUCK 2.0 TON	1.00	0.25	0.23	\$1.79	\$2.77
4,5	CULTIVATOR 6R30	2.00	0.31	0.28	\$5.46	\$5.04
5	PLANTER 6R30	1.00	0.13	0.12	\$2.67	\$3.46
5,6,	WEEDER - LELY 18'	2.00	0.33	0.30	\$5.78	\$5.08
5,6	ROLLING CULTIVATOR 6-ROW	2.00	0.40	0.36	\$4.38	\$3.92
6,7	COMBINE W/ HEADER	1.00	0.33	0.30	\$11.63	\$22.87
9	HEAVY DISK 16'	1.00	0.13	0.12	\$3.22	\$3.74
9	GRAIN DRILL 16'	1.00	0.14	0.13	\$2.70	\$3.46
PER ACRE TOTALS FOR SELECTED OPERATIONS			2.28	2.08	44.07	57.82
UNALLOCATED LABOR(HRS./AC.)						

<b>INCOME ABOVE VARIABLE COSTS AT DIFFERING YIELDS AND PRICES</b>						
YIELD	----- PRICE (\$/bu.) -----					
BU.	\$5.40	\$5.70	\$6.00	\$6.30	\$6.60	
68	\$122.44	\$142.69	\$162.94	\$183.19	\$203.44	
71	\$142.69	\$164.07	\$185.44	\$206.82	\$228.19	
75	\$162.94	\$185.44	\$207.94	\$230.44	\$252.94	
79	\$183.19	\$206.82	\$230.44	\$254.07	\$277.69	
83	\$203.44	\$228.19	\$252.94	\$277.69	\$302.44	