BELL PEPPERS: FRESH MARKET, TRICKLE IRRIGATED
Kentucky Estimated per Acre Costs and Returns for 2017
Large Scale (5 or more acres trickle irrigated)*
NOT TO BE CONSIDERED CROPPING RECOMMENDATIONS OR PROFITABILITY PROJECTIONS. FOR COMPARISON AND PLANNING PURPOSES ONLY.

CENTER FOR CROP DIVERSIFICATION

	Quantity	Unit	$/Unit	Total	
GROSS RETURNS					
Peppers (1 1/9 bu. box)	1500	box	$ 10.00	$ 15,000.00	a,b
VARIABLE COSTS					
Production					
Plants	14.5	1000	$ 200.00	$ 2,900.00	
Transplant Labor	24	hours	$ 12.50	$ 300.00	
N Fertilizer: Preplant Urea	100	lbs	$ 0.40	$ 40.00	
Starter Liquid Fertilizer	9.06	lbs	$ 3.00	$ 27.18	
N Fertilizer: Calcium Nitrate fertigation	580	lbs	$ 0.45	$ 261.00	h
Black Plastic/Drip Lines	1	acre	$ 555.00	$ 555.00	d
Herbicides	1	acre	$ 46.50	$ 46.50	e
Insecticides	1	acre	$ 107.08	$ 107.08	e
Fungicides	1	acre	$ 495.69	$ 495.69	e
Irrigation	90	hrs.	$ 0.40	$ 36.00	c
Machinery Variable Costs	1	acre	$ 46.23	$ 46.23	f
Total Preharvest Variable Costs				**$ 4,814.68**	
HARVESTING AND MARKETING					
Boxes	1500	boxes	$ 1.40	$ 2,100.00	
Harvest Lugs/Buckets	25	each	$ 20.00	$ 500.00	
Plastic Disposal Labor	18	hours	$ 12.50	$ 225.00	
Harvest and Postharvest Hired Labor					
Harvest	$ 1.10	box		$ 1,650.53	g
Grade/Pack	$ 1.75	box		$ 2,626.05	g
Marketing Costs (10% of Gross)	10.0%	gross		$ 1,500.00	
Hauling Variable Costs	1500	boxes	$ 0.10	$ 150.00	f
Total Harvesting and Marketing Cost				**$ 8,751.58**	
Interest on Variable Costs				$ 275.71	
TOTAL VARIABLE COST				**$ 13,841.97**	
RETURN ABOVE VARIABLE COSTS				**$ 1,158.03**	
FIXED COSTS					
Machinery and Equipment				$ 179.16	f
Harvest Crate Replacement				$ 160.00	
Depreciation on Irrigation System				$ 328.40	
Taxes on Land				$ 5.00	
Insurance				$ 75.00	
TOTAL FIXED COSTS				**$ 747.56**	
TOTAL EXPENSES				**$ 14,589.53**	
RETURN TO OPERATOR LABOR, LAND, CAPITAL, & MGT.				$ 410.47	
Operator and Unpaid Family Labor	40	hrs.	$ 15.00	$ 600.00	
RETURN TO LAND, CAPITAL, AND MANAGEMENT				**$ (189.53)**	

Boxes picked/hour	**11.36**
Boxes packed/hour	**7.14**

Your Numbers

a Reflects average to above-average yields for plasticulture.
b Price based on USDA AMS Shipping Point and Ky. auction prices, 2016.
c Assumes charge for power/fuel for irrigation. Municipal water will add much higher cost.
d Based on 2015 UK estimate for trickle irrigation and 2017 estimate.
e Pesticide costs based on recommended applications of various products using 2017 product costs.
f Machinery costs based on typical operations and 2017 machinery costs, according to machinery cost generator.
g Based on past Kentucky budgets with increases for increasing wage rates; compares similarly to pepper labor estimates from university budgets published in South Carolina, Mississippi.
h Fertilizer assumption: 4 pounds calcium nitrate per week per 1000 plants.
* Farm has 5 or more acres total in trickle-irrigated crops
Budget based on 10890 row feet (4 ft between rows, 1 ft between plants)