OSU Current Report

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COTTON 1970

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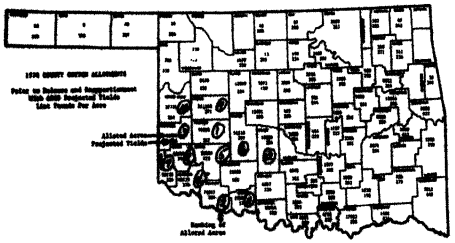
The 1970 allotment shows that over 71 percent of the state allotment is in twelve southwestern counties.



The cotton budgets on the inside pages were developed from research done by the Agricultural Economics Department with adjustments obtained from Area Agents in the major cotton producing counties.

There are six budgets on cotton; four of these are for western Oklahoma, two on dryland and two on irrigated cotton. Two budgets are for central and eastern Oklahoma, one for upland and one for bottomland. All budgets use custom rates for applying insecticide and harvesting; cotton pickers are used on irrigated and bottomland cotton and cotton strippers on central and eastern and western dryland.

These budgets are for better than average production. The first budget is for sandy dryland in western Oklahoma. These budgets can be used by owner-operator, landowner, or tenant. The owner-operator receives a return to land, labor, capital, overhead, management, and risk. The landowner receives a return to land less his share of costs for fertilizer, insect control, and gin expenses, plus his share of check off. The tenant receives the residue after land, production costs and interest on operating capital is subtracted from production sales.

Budget Explanation

All budgets on the inside, show production costs and returns per acre.

Seed cost vary from $3.24 to $6.00 per acre. Fertilizer costs vary from $3.10 to $5.95 per acre. Herbicides vary from $.87 to $6.00 per acre. Insecticide costs vary from $5.20 to $20.80. Hand hoeing costs vary from zero to $4.00, even when herbicides are used. Defoliation costs were not used in these budgets. There is a cost factor on irrigated and bottomland cotton for a part of the crop. A part of the crop is defoliated to allow the mechanical pickers to start before the first killing frost, this is a variable practice and weather determines whether to defoliate or not. cost of production varies from $46.53 to $121.37. The returns to overhead, management and risk per acre vary from $14.84 to $22.36. The production of lint varies from 300 pounds to 685 pounds. Cotton seed sells from $44.00 a ton to $50.00. Cotton seed is cheaper in eastern Oklahoma. Many farmers in eastern Oklahoma claim their seed to feed their cattle.

Estimated Costs and Returns from One Acre of Cott

Southwest Oklahoma

Item	Dryland		Irrigated		Yours
	Sandy/1	Loam/2	Clay Loam	Loam	
Production Costs($)					
Seed 1.2 Plantings X 13.5# @ $.20	3.24	3.24	XX	XX	
Seed 1.2 Plantings X 25 lbs. X $.20	XX	XX	6.00	5.00	
Fertilizer (Sand 40-25-25)(Loam 30-20-0)	5.95	3.73	XX	XX	
Irrigated 80-40-0	XX	XX	8.00	8.00	
Machinery Operation/3	4.48	4.48	6.25	5.75	
Machinery Ownership/4	4.05	4.05	5.15	4.80	
Herbicide (Band on Sand)(Broadcast on Loam)	.87	3.12	5.45	4.65	
Insecticide					
2 sprays -5 days apart @ $2.60	5.20	5.20	XX	XX	
8 sprays -5 days apart @ $2.60	XX	XX	20.80	20.80	
Hand Hoeing	XX	XX	1.25	1.25	
Irrigation - Labor Costs/5	XX	XX	12.15	14.55	
Defoliation will depend on: condition of crop & season					
Mechanical Harvest & Haul	9.90	10.89	32.50	34.25	
Gin Wrap ($5 bag & ties)($1 chk. off) & ($.70/cwt. ginning)	12.84	14.12	21.18	22.32	
TOTAL	46.53	48.83	118.73	121.37	
Production and Sales	300#	330#			
Lint (cwt.) slm 31/32"@ 18.85/#	56.55	62.21	XX	XX	
Lint 50% mid & 50% slm, (1 1/16" @ 23.21/#)	XX	XX	650# 150.80	685# 158.92	
Seed 800#/Bale @ 2.5¢/#	12.00	13.20	26.00	27.40	
Range in Normal Yield (Lint)	240-360	264-396	520-780	548-822	
Return to Land, Labor, Capital Overhead, Management and Risk	22.02	26.58	58.07	64.95	
Labor (hrs.)	2.7	3.0	5.2	4.7	
Capital (annual basis)	17.93	18.21	50.28	50.30	
Analysis of Returns:					
Land ⅛ Gross - (⅛ Fert. Insect. & Gin)	11.14	13.09	29.17	31.26	
Labor	4.05	4.50	7.80	7.05	
Capital (17.93 X 8.5%) & (18.21 X 8.5%) (50.28 X 8.5%) & (50.30 X 8.5%)	1.52	1.55	4.27	4.28	
TOTAL	16.71	19.14	41.24	42.49	
Return to Overhead, Management and Risk ($/A)	5.31	7.44	16.83	22.36	

/1 Includes loamy fine sands and coarse textured soils.
/2 Includes sandy loams, silt loams and clay loams.
/3 Machinery operation costs include fuel, oil and repairs.
/4 Machinery ownership costs include depreciation, insurance and taxes.
/5 Irrigation costs are for the Altus irrigation district for -- 16" of water and $2.00 for labor. Other irrigation systems will have to figure their cost.

echanical Harvest, in Selected Areas of Oklahoma

East-Central Oklahoma

Item	Dryland		Yours
	Upland[1/2]	Bottom[1/2]	
Production Costs($)			
Seed 1.2 Plantings X 15# @ $.20	3.60	XX	
Seed 1.2 Plantings X 25# @ $.20	XX	6.00	
Fertilizer (Upland 40-25-25)(Bottom 30-20-0)	5.95	3.73	
Machinery Operation[1/3]	4.07	4.61	
Machinery Ownership[1/4]	3.35	3.35	
Herbicide (Broadcast)	6.00	6.00	
Insecticide			
5 sprays -5 days apart @ $2.60	13.00	XX	
10 sprays -5 days apart @ $2.60	XX	18.00	
Hand Hoeing	2.00	4.00	
Defoliation will depend on: condition of crop & season			
Mechanical Harvest & Haul	14.77	22.15	
Gin Wrap ($5 bag & ties) ($1 chk. off) & ($.70/cwt. ginning)	13.53	14.85	
TOTAL	66.27	82.89	
Production and sales	300#		
Lint (Loan X 300# of slm 31/32)	56.55	XX	
Lint (Loan X 450# of slm 1 1/16)	XX	450# 97.88	
Seed @ 2.2¢/#	10.41	14.08	
Range in Normal Yield (Lint)	240-360	360-540	
Return to Land, Labor, Capital, Overhead, Management and Risk	.69	29.07	
Labor (hrs.)	2.6	3.01	
Capital (annual basis)	18.36	33.40	
Analysis of Returns:			
Land ¼ Gross - (¼ Fert. Insect. & Gin.)	8.68	18.95	
Labor	3.90	4.52	
Capital (18.48 X 8.5%)&(33.71 X 8.5%)	1.57	2.87	
TOTAL	14.15	26.34	
Return to Overhead, Management and Risk ($/A)	-14.84	2.73	

[1/1]
[1/2] Includes black land, loams, sandy loam and clay loams.
[1/3] Includes loamy alluvial, sandy alluvial and fine textured alluvial soils.
[1/4] Machinery operation costs include fuel, oil and repairs.
Machinery ownership costs include depreciation, insurance and taxes.

PERMIUMS AND DISCOUNTS FOR GRADE AND STAPLE LENGTH OF 1970-CROP AMERICAN UPLAND COTTON
(Basis 1-Inch Middling)

GRADE	Staple Length (Inches)											
	29/32	15/16	31/32	1	1-1/32	1-1/16	1-3/32	1-1/8	1-5/32	1-3/16	1-7/32	1-1/4 & Longer
	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.	Pts.
ITE												
and Better	-245	-170	-80	+50	+210	+365	+420	+470	+530	+620	+800	+950
	-255	-180	-90	+45	+205	+360	+410	+460	+515	+605	+785	+935
D Plus	-275	-200	-110	+25	+180	+335	+385	+435	+485	+565	+745	+900
D	-290	-220	-125	Base	+155	+315	+365	+410	+460	+530	+695	+820
M Plus	-370	-295	-235	-115	+30	+205	+250	+285	+320	+400	+535	+660
M	-405	-340	-275	-170	-35	+130	+180	+225	+255	+320	+455	+570
Plus	-490	-425	-355	-270	-175	-70	-40	-15	-5	+20	+45	+95
	-525	-465	-400	-320	-240	-135	-105	-80	-70	-55	-30	-5
O Plus	-630	-575	-525	-445	-400	-360	-345	-340	-340	-340	-340	-340
O	-675	-625	-570	-500	-465	-425	-415	-410	-410	-410	-410	-410
Plus	-760	-715	-670	-610	-575	-550	-540	-535	-535	-535	-535	-535
	-805	-760	-720	-665	-630	-605	-600	-595	-595	-595	-595	-595
GHT SPOTTED												
	-295	-240	-170	-75	+75	+200	+245	+275	+315	+390	+560	+730
	-305	-245	-180	-85	+65	+185	+230	+265	+300	+370	+540	+700
D	-375	-315	-255	-160	-30	+100	+140	+175	+220	+285	+400	+500
M	-480	-425	-370	-295	-205	-125	-100	-75	-65	-45	-35	-5
	-615	-565	-520	-470	-420	-370	-365	-360	-360	-360	-360	-360
OTTED												
	-455	-400	-345	-275	-200	-155	-135	-110	-100	-90	-65	-40
	-465	-410	-355	-290	-215	-170	-150	-125	-115	-105	-85	-65
D	-510	-455	-410	-355	-295	-260	-255	-245	-240	-240	-240	-235
M	-610	-560	-520	-475	-430	-405	-395	-395	-395	-395	-395	-395
*	-735	-695	-660	-605	-575	-555	-550	-545	-545	-545	-545	-545

ADE SYMBOLS: GM - Good Middling; SM- Strict Middling; MID - Middling; SLM - Strict Low Middling; LM - Low Middling; SGO - Strict Good Ordinary; GO - Good Ordinary.

Discount 50 pts. per/lb. for bark, grass, seed, etc.

CCC schedule of micronaire premiums and discounts for 1970-crop upland cotton

cronaire Reading	Points per Pound	Micronaire Reading	Points per Pound
3 and above	Discount of 130	3.0 through 3.2	Discount of 135
0 through 5.2	Discount of 30	2.7 through 2.9	Discount of 250
5 through 4.9	Premium of 45	2.6 and less	Discount of 390
3 through 3.4	Discount of 40		

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