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NATIONAL PEANUT BOARD/SOUTHEAST PEANUT  
RESEARCH INITIATIVE  
FINAL REPORT FOR WORK  
DONE UNDER RESEARCH AGREEMENT

**Final Report**

June 30, 2006

INSTITUTION: University of Georgia

PROJECT TITLE: SE Peanut Producers: A Multi-Economic Analysis of Their  
Competitive Position

RES. AGR. NO.: 25-21-RD314-138 PROJECT LEADER: Dr. Stanley Fletcher  
GACCP Budget No.: 4-829-653-5

EXPIRATION DATE: June 30, 2006 NPB CONTACT: Janet Bell  
NPB Budget No.: 355

**FINAL REPORT:** The 11 Southeast peanut representative farms were updated to reflect 2005 cost and acreage allocation. The updated representative farms were entered into the FLIPSIM computer model for analysis. These 11 representative farms have almost all shown an increase in production cost relative to the farms last updated in 2003 under 2002 cost structures. Focusing on the irrigated and non-irrigated peanuts, irrigated and non-irrigated cotton and irrigated corn, the farms reported the average variable cost increases displayed in Table 1.

**Table 1.** Average Increase in Variable Cost per Acre for SERPF

Crop	\$/Ac Increase of Variable Cost 2005 vs. 2002	\$/Ac Percentage Increase of Variable Cost 2005 vs. 2002
Irrigated Peanuts	\$85.76/ac	23.15 %/ac
Irrigated Cotton	\$97.65/ac	25.86 %/ac
Irrigated Corn	\$151.90/ac	52.82 %/ac
Non-Irrigated Peanuts	\$66.79/ac	23.06 %/ac
Non-Irrigated Cotton	\$69.45/ac	31.42 %/ac

The average acreage in the row crop rotations of the Southeastern Representative Peanut Farms has also increased since the 2003 updates. The average acreage reported in 2003 was 1,299 acres, while the average acreage reported by the panels as intended for the 2006 crop year is 1,592 acres. This is a 23% increase in the total crop land acreage for the Southeastern Representative Peanut Farms. It should be noted that this does not imply that all peanut farms in the southeast have expanded acreage by an average of 23% since 2003, but instead that the reported acreage of what is representative of a peanut farm has increased. Some representative farms have expanded acreage over the last 3 years, but this is not the case in all areas. Some areas report the smaller sized farms are selling out, resulting in the some land transitioning into non production agriculture. Table 2 displays the total acreage and crop mix for the 11 Southeastern Representative Farms.

**Table 2. Cultivable Acreage and Crop Mixes of Representative Southeastern Peanut Farms (2006 Update)**

Irrigated Peanut	Non Irrigated Peanut	Irrigated Cotton	Non Irrigated Cotton	Irrigated Corn	Non Irrigated Corn	Sweet Corn or Other Vegetables	Watermelons	Coastal Hay	Improved Pasture/ Cattle Feed	Soybeans	Wheat **	Total Acres
107	126	113	254				100					700
	450		400								200	850
100	300	150	425	150					35	40		1200
86	64	605	420			35						1210
	425		700		75				75			1275
175	125	435	665								150	1400
250	250	500	500									1500
532	133	840	210	285								2000
200	400	400	800					50	150			2000
750	750			150*			75	50	600			2375
800		1450	150	250		350 200**					250	3000

\*Grown for silage not grain; \*\*Double crop acres—not included in total acres.