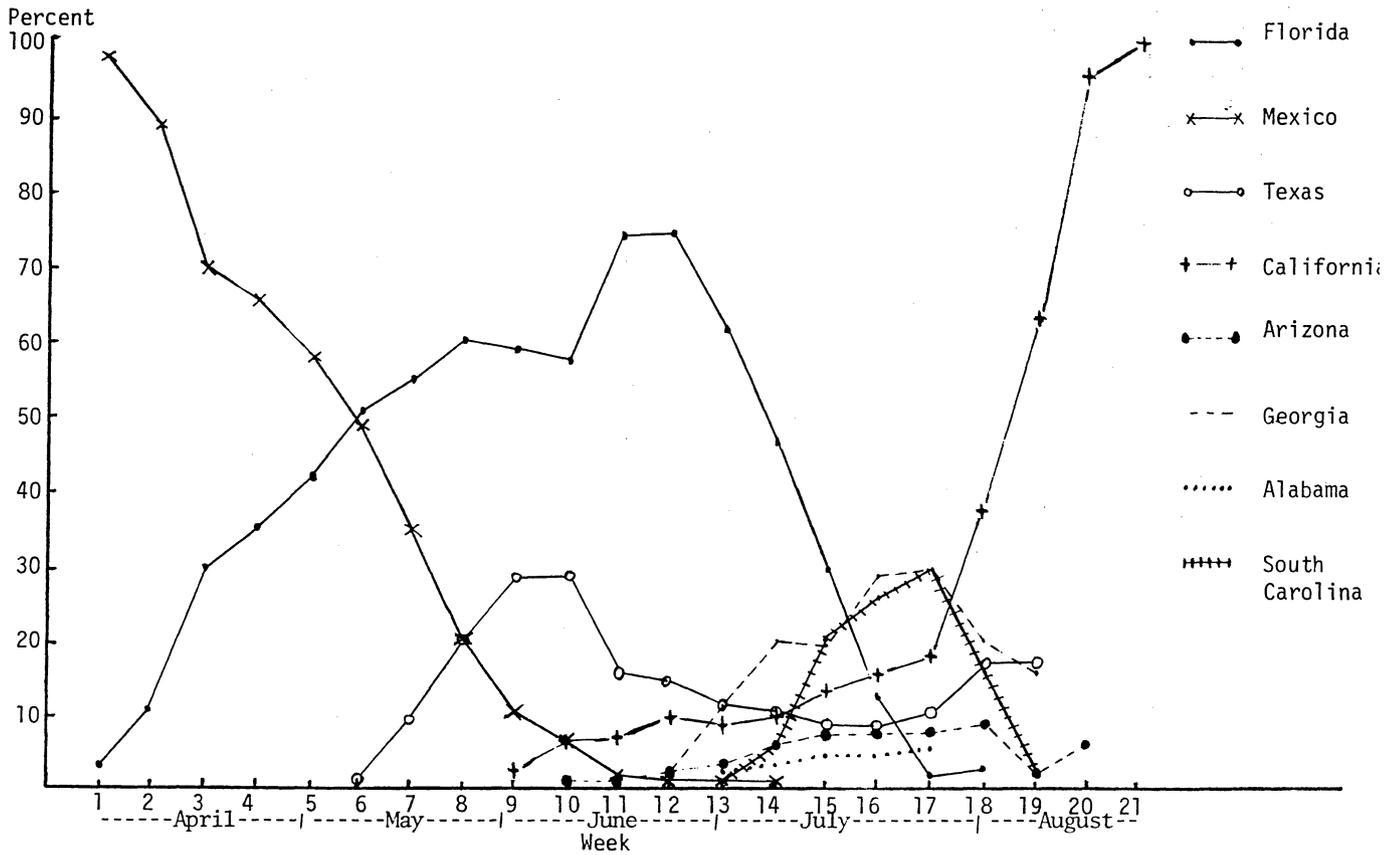


Figure 5.--Weekly Relative Market Share by Source of Production



tion 6 percent the following year (all other factors remaining unchanged). In addition, this price increase will influence planted acres for the two years following. Producers will tend to increase production 6 percent the second year and 3.5 percent the third year following the price increase.

Another finding of the research was that shipments from other states have more of an influence on the average Florida price than do Florida shipments. In general, it was discovered that a 10 percent increase in Florida shipments will decrease Florida prices 6 percent while a 10 percent increase in shipments from other states will decrease Florida prices 12 percent.

### Florida Outlook For 1981

The two most recent years have given Florida watermelon producers exceptional returns for their product. As acreage declined to 45,000 acres in 1980, price rose to an average of \$5.92 per hundredweight. Given the improvement in prices for

Florida watermelons, it is expected that planted acres of watermelons will increase substantially. The Florida Crop and Livestock Reporting Service estimated on March 1, 1981, that Florida producers' intentions for planted acres of watermelons are 54,000 acres. This represents a 20 percent increase over 1980. The comparison of planting intentions by area in 1981 with planted acres by area in 1980 is given in Table 4.

Increasing the acres of watermelons planted will increase the amount of shipments under normal conditions. The results described in the previous section indicated that increasing shipments will generally cause the average price received for watermelons to decline. Given these results and the estimate for increased acreage, it is expected that the average price received for Florida watermelons will decline. Given these results and the estimate for increased acreage price received for Florida watermelons will decline.

Another factor which will create downward pressure on watermelon prices is the recent freeze