

experienced in Florida. Although this freeze affected only that acreage planted in south Florida, it will cause prices to decline by making south Florida producers sell their product at a later time in the season. The freeze made it necessary for many south Florida producers to replant. Replanting will mean a later marketing season for these producers. Later marketing of watermelons will cause south Florida production to compete more with central Florida production, causing downward price pressure for both south and central Florida producers.

Table 4.—Acres Planted by Area for 1980 Compared to Planting Intentions for 1981

Area	1980	1981	Percent change from 1980
West	4,000	4,500	+12.5%
North	27,500	32,000	+16.4%
Central	7,800	10,700	+37.1%
South	5,700	6,800	+19.3%
Total	45,000	54,000	+20.0%

A final factor which will create downward price pressure for Florida producers is increased production in states competing with Florida. Florida was not alone in experiencing improved prices in 1979 and 1980. These improved prices will likely cause an increase in planted acreage in these competing states and, with normal conditions, will increase shipments from these competing states and depress Florida prices even more.

Given these factors, an estimate of the Florida average price for watermelons would have to be below the average price in 1980. An estimate for the average Florida price for 1981 which incorporates these factors would be \$5.00 per hundredweight. This represents a decrease of approximately 16 percent from 1980. This estimated average price was calculated from the results of the Wall, Tilley, and VanSickle study with a correction factor for the freeze. This estimated average price would depend on a normal production season for the rest of 1981 with no abnormal marketing problems. This average price would be the average of all watermelons sold in Florida. The actual price received by producers will depend on when they market their product. The earlier watermelons are sold, the more likely a producer is to receive a better price. Late season market price will probably be below \$5.00 per hundredweight.

Implications to Florida Producers

Those Florida producers who have or are contemplating planting acreage to watermelons are encouraged to determine their anticipated cost of pro-

duction and harvesting. This estimate can then be used to compute a breakeven price. These breakeven prices can be applied to Figure 4 to indicate dates for successful harvest. Given the increase in intended planted acres in 1981, the lower confidence bound in Figure 4 may be used as an estimate for expected price. Table 5 shows the expected harvest date and expected price floor for various planting dates. The expected price floor is the 90 percent lower confidence bound for the harvest and marketing dates listed in Figure 4. The production season is assumed to be sixteen and one-half weeks in Table 5. Brooke [1] estimated that production and harvesting costs for south Florida producers averaged \$4.19 per hundredweight in 1979. This estimate would indicate a successful harvest would be likely through the seventh week or May 20 (Figure 4) for south Florida producers. This would imply a planting date of January 26 or before (Table 5).

Table 5—Planting Date and Expected Price Floor at Harvest¹

Planting Date	Earliest Harvest Date	Expected Price Floor
Dec. 29	Apr. 22	\$4.51
Jan. 5	29	5.17
12	May 6	4.75
19	13	4.73
26	20	4.28
Feb. 2	27	3.61
9	June 3	2.83
16	10	2.96
23	17	2.57
Mar. 2	24	2.35
9	July 1	2.23
16	8	2.29
23	15	2.60

¹The expected price floor is the expected shipping price for medium sized watermelons (25-28 lbs.).

North Florida producers can generally produce watermelons for a lower cost of production. The north Florida producer however, cannot market watermelons until later in the season when prices are declining. If a north Florida producer anticipates a cost of production of \$2.75 per hundredweight, then Figure 4 would suggest that he plan to have his product sold before the twelfth week of the season (June 17). This would imply that the producer should plant the watermelons on or before February 23. Producers should, whenever possible, attempt to plant and harvest as early in the season as possible. This will generally assure him of the highest potential for profits.