

A study of cost and return of bee keeping has been conducted with an objective to study cost and return of bee keeping from beekeepers in Chiangmai province. Data has been collected using questionnaires gathered from 62 beekeepers in Chiangmai province between years 2543 to 2544 together with an information from documents, textbooks, articles, and research that are relevant to the subject matter. These data then be analyzed by using three methods, the Payback Period Method: PB, Net Present value: NPV and Internal Rate of Return: IRR. Three analyses have been performed for three different sizes of beekeeper that are small, medium, and large.

For the small-size beekeepers, the research has found that the cost of bee keeping among small-size beekeepers involves capital expenses and operating expenses in the sum of 8,271,621.13 Baht. The initial capital investment of 1,896,495 Baht would be paid in the first investment year while the operating expenses from the first year of investment to the fifth year would be 6,375,126.13 Baht. A Study also found that the average cost of bee keeping per hive of the small-size beekeepers is 15,906.96 Baht. In the five year period, small-size beekeepers received a total return of 8,515,973.81 Baht which is an average of 16,376.87 Baht per hive. In a feasibility study, it showed a payback period of 4 years and 2 months, the net present value (NPV) of -128,022.26 Baht, an average of -246.19 Baht per hive which is a negative value, the

rate of return of 5.11% which is lower than the interest rate of any commercial bank loan of 8.25% as the rate of January, 2002.

For the medium-size beekeepers, the total cost of bee keeping for this size of beekeepers, as capital expenses plus operating expenses, is 171,035,486.74 Baht. The first year capital investment is 52,870,970 Baht. The operating expenses from the first to fifth year equals 118,164,517.03 Baht. The average cost of investment per hive is 9,250.16 Baht. In the five year period, medium-sized beekeepers received a total return of 302,741,273.77 Baht, with an average per hive of 16,373.24 Baht. From a feasibility study, it was found a 1 year and 4 months of payback period, NPV of 91,108,451.36 Baht, average of 4,951.54 Baht per hive, positive value. The rate of return is 57.70% that is higher than the interest rate of any commercial bank loan of 8.25% as the rate of January 2002.

For the large-size beekeepers, the total cost of bee keeping, as capital expenses plus operating expenses, is equal to 180,343,336.81 Baht. First year investment is 66,007,604.00 Baht and the operating expenses from the first to fifth year is 114,335,732.81 Baht. An average cost of investment per hive is 7,641.66 Baht. In the five-year period, beekeepers of this size received the total return of 458,420,345.66 Baht, an average of 19,424.59 per hive. From a feasibility study, it showed a one year payback period, NPV of 206,224,852.38 Baht which is a positive value. Rate of return equals 98.84%, higher than the interest rate of any commercial bank loan of 8.25% as of January 2002.

However, investors should consider the other relating factors such as investment, beekeeping technique, marketing and natural factor in order to minimize a risk of investment and to increase the return on investment.