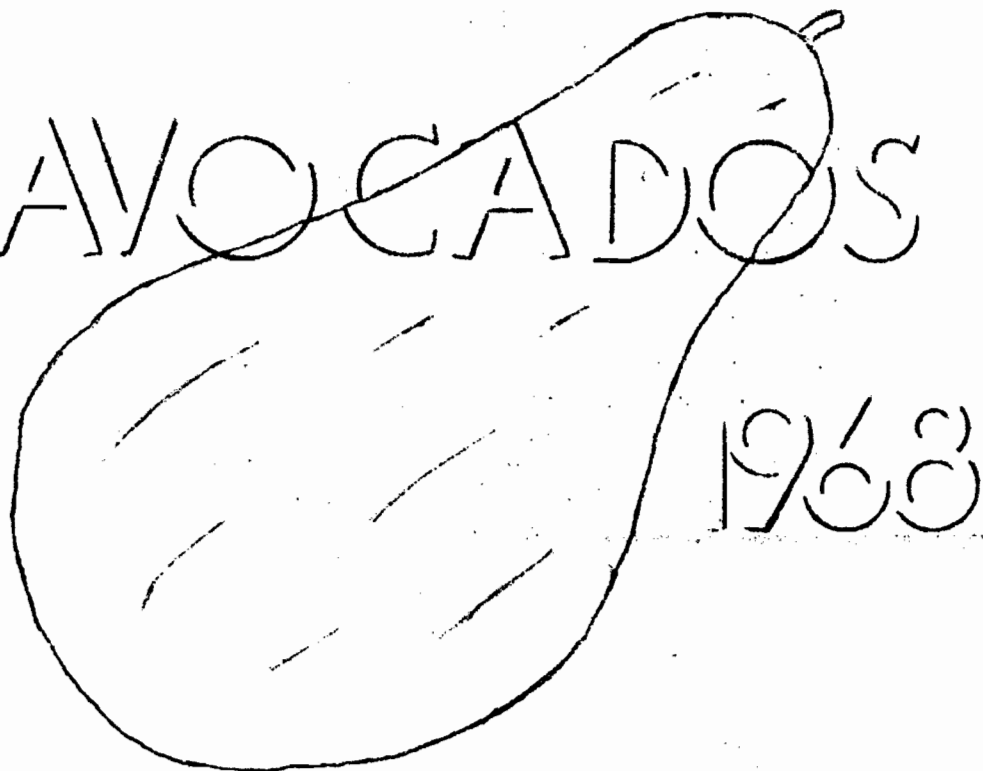


# SAMPLE COSTS TO PRODUCE

# AVOCADOS



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SAMPLE COSTS TO PRODUCE AVOCADOS

San Diego County a/

1968

<u>CULTURAL OPERATIONS</u>	COSTS PER ACRE			
	Labor Cost	Materials and Equipment Item	Cost	Total Cost/Acre
Fertilizer - 2 times <u>b/</u>	\$ 8	Actual N - 150 lbs./acre	\$ 18	\$ 26
Irrigation - 36 times	72	Water - 3½ acre feet/acre	193	265
Pest control - ants, gophers, snails	6	Baits, poisons & predators	5	11
Weed control - spot spraying and mowing	10	Oil	5	15
Pruning (skirt, deadwood) and orchard thinning <u>c/</u>	30	Chain saw and brush disposal	5	35
Miscellaneous - repairs, erosion control	30	Supplies and tools	10	40
	—		—	—
Total Cultural Costs	\$ 156		\$ 236	\$ 392

FOOTNOTES

a/ Sample costs in this report are based on a typical commercial 10-acre avocado orchard, Fuerte variety, ten- to twelve-year-old trees, 100 trees per acre, and permanent plastic irrigation system. Costs will vary from orchard to orchard and from district to district. The purpose of these sample costs is to serve as a guide for cost estimation.

b/ Zinc may be needed. This may be applied to leaves by aerial or ground spraying; or applied on the ground. Phosphate and potassium may be applied periodically, but not regularly like nitrogen.

c/ Tree removal between 10 - 15 years.

<u>d/ Investment</u>	Investment Per Acre	Depreciation Per Acre
Trees (20 years)	\$ 4,702	\$ 235
Irrigation system (10 years)	650	65
Pickup (5 years)	125	25
Equipment & Building	360	46
(Years vary with item)	\$ 5,837	\$ 371

OVERHEAD COSTS

Taxes	\$ 90
Maintenance & repairs	20
General expenses	39
Management charge	60

Total Cash Overhead Costs \$ 209

TOTAL PREHARVEST CASH COSTS \$ 601

Depreciation d/ 371

TOTAL CASH AND DEPRECIATION \$ 972

Interest on Investment e/ 355

TOTAL PREHARVEST COSTS f/ \$1,327

## Footnotes (continued)

- e/ Interest on investment charged at rate of 6% on assumed land value of \$3,000 per acre plus half life value on trees, equipment, and building.
- f/ Harvest costs, assessments, and yield.

Harvest costs vary from  $1\frac{1}{2}$  to 3¢ per pound depending on tree size, size of crop, terrain, etc. A 5% assessment is made on the value of crop at roadside after harvesting. This money is used for industry advertising and sales promotion. Yield per acre varies by different varieties, locations, cultural practices, type of tree and climatic conditions from year to year. Average good commercial yields per acre should range from 6,000 pounds to 10,000 for Fuerte and 7,000 to 12,000 for Hass.

Prepared by:

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