

COSTS OF ESTABLISHING A WINE GRAPE VINEYARD
IN SAN JOAQUIN COUNTY - 1983

PREPARED BY JAMES J. KISSLER, FARM ADVISOR

UNIVERSITY OF CALIFORNIA COOPERATIVE EXTENSION
420 S. WILSON WAY
STOCKTON, CALIFORNIA 95205

COSTS OF ESTABLISHING A WINE GRAPE VINEYARD
IN SAN JOAQUIN COUNTY
APRIL 1983

* * * *

SAMPLE COSTS PRESENTED HERE ARE BASED ON:

I

--Good cultural practices in developing an 80-acre wine variety vineyard on resistant rootstocks planted 7 feet by 11 feet, 566 vines per acre. These input and cost data are to be used only as a guide in determining the cost of establishing a specific vineyard. They are not intended to represent industry averages.

II

--Labor costs based on \$4.20 and \$5.40 per man hour. (Includes Workmen's Compensation, Social Security, Unemployment Insurance and other benefits, based on 20% of cash wage.) Medium-wheel tractor at \$4.50 per hour cash costs.

III

--Interest charges of 12% for

Land valued at \$5500 per acre

Original values:	Buildings	\$120 per acre
	Surface Irrigation System	600 per acre
	Equipment	480 per acre

Interest is determined on one-half the original value.

IV

--Depreciation based as follows:

	<u>Investment per Acre</u>
Buildings	\$120.00
Surface Irrigation System	600.00
Equipment	480.00

REMEMBER--These are only sample costs and will vary according to varieties, rootstocks, etc.

SAMPLE COSTS PER ACRE TO ESTABLISH A WINE VARIETY VINEYARD
 IN SAN JOAQUIN COUNTY - APRIL 1983
 (7' x 11' Spacing = 566 Vines per Acre)

	Cost per Acre		
	1st Year	2nd Year	3rd Year
PREHARVEST CASH COSTS:			
Land preparation*--Chisel, disc 2x, float, etc	\$ 70		
Survey and mark--5 man(M) hours	27		
Planting, including trimming--27¢ each	153	\$ 14	
Rootstocks (certified)--566 @ 70¢; 50 2nd yr.	396	35	
Stakes, steel, 7 ft.--566 @ \$1.25		708	
Set stakes--@10¢ each		57	
End posts--6 @\$5.50 each + labor \$1.50		77	
Wire, #13 Hi-carbon--2 wires		80	
Clips (fasteners)--1322 @ 3¢ each		40	
String 2 wires and fasten--13 M. hrs.		55	
Bud and cover--60¢ per vine	340	30	
Budwood (certified)--6¢ per bud	34	3	
Uncover & prune rootstock--10 M hrs; 1.5, 3rd		42	\$ 6
Cut rubbers and tops, place collars--20 M hrs			
2nd year; 4 M hrs. 3rd year		84	17
Train, sucker, and tie--50 M hrs. 2nd year;			
9 M hrs. 3rd year		210	84
Tying material		18	10
Dormant prune and tie--11 M. hrs.			46
Rabbit control--milk cartons @ 6¢ each		34	
Irrigation labor--6 M hrs.	25	25	25
Water (pumped)	20	26	33
Tillage--irrigation preparation & weed control			
6 M hrs. plus 6 tractor (T) hrs.	59	59	59
Weed control:Hoe--8 M hrs. 1st yr; chemical			
control 2nd and 3rd yrs.	25	45	45
Fertilizer, applied--1st, 2nd yrs. 30# N;			
3rd yr. 60#.	15	15	25
Pest and disease control application			35
Pest and disease control material			116
Miscellaneous labor and material	25	30	30
County taxes	21	21	21
Office, car, interest on operating capital 12%	149	209	70
Repairs, except tractor	35	35	35
TOTAL CASH AND LABOR COSTS	\$1394	\$1952	\$ 657
DEPRECIATION COSTS:			
Irrigation system--\$600 cost	\$ 30	\$ 30	\$ 30
Buildings--\$120	4	4	4
Equipment--\$480 cost	57	57	57
TOTAL DEPRECIATION COSTS	\$ 91	\$ 91	\$ 91
INTEREST ON INVESTMENT @ 12%			
Irrigation system--on 1/2 cost (\$300)	36	36	36
Buildings and equipment--on 1/2 cost (\$300)	36	36	36
Land--@ \$5500	660	660	660
Interest on accumulated costs		266	631
TOTAL INTEREST ON INVESTMENT	\$ 732	\$ 998	\$1363
TOTAL COST FOR YEAR	\$2217	\$3041	\$2111
NET CREDIT FOR FRUIT--3½ tons @ \$250/T			-875
(price varies as to variety)			\$1236
TOTAL ACCUMULATED COSTS	\$2217	\$5258	\$6494

Additional land preparation may be necessary; costs vary according to soil problem
 Deep ripping: \$150 to \$200 per acre.
 Nematode problems: Preplant fumigation may be necessary--\$350 to \$700 per acre.

SAMPLE INVESTMENT AND DEPRECIATION COSTS FOR AN 80-ACRE WINE VARIETY VINEYARD
IN SAN JOAQUIN COUNTY - April 1983

	C o s t		Life	Annual Depreciation 80 Acres
	Total	Per Acre		
Land	\$ 440,000	\$ 5,500		
Vines	519,520	6,494	30	\$17,317
Irrigation System	48,000	600	20	2,400
Buildings	9,600	120	30	320
Equipment:				
Wheel tractor, 40 HP Diesel	12,100	151	10	1,210
Disc 8' tandem wheel lift	3,050	38	10	305
Ridger	540	7	10	54
Furrower	340	4	10	34
Rotary chopper	2,800	35	10	280
Duster	1,550	19	10	155
Sprayer (Conc. P.T.O.)	8,000	100	10	800
Field toilet	500	6	10	50
Pickup truck	7,500	94	5	1,500
Miscellaneous equipment	3,000	38	10	300
Equipment Totals	\$ 39,380	492		\$ 4,688
TOTAL INVESTMENT	\$1,056,500	\$13,206		
TOTAL DEPRECIATION				\$24,725