

1972

GRAPE PRODUCTION COSTS IN THE SAN JOAQUIN VALLEY

THOMPSON SEEDLESS FOR TABLE USE

Cost Analysis Worksheet

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Agricultural Extension University of California

AXT-57
Rev. 11/72

UC Cooperative Extension



COST ANALYSIS WORKSHEET: Thompson Seedless for Table Use – Sample Costs for a Mature Vineyard, 1972

		COSTS PER ACRE			
		Sample Costs	Your Costs		
PRE-HARVEST CASH COSTS					
Pruning – contract @ .15¢/vine (429/acre) ²⁸		\$ 64.35	\$		
Brush disposal – all middles, contract		3.50			
Tying ^{6.5}		15.00			
Fertilizer – 50 pounds N @ 14¢ applied		7.00			
Girdling ¹²		28.00			
Gibberellin spray – twice @ \$30.00 + \$10.00		40.00			
Thinning – 41 hours labor		94.30			
Mildew control – 2½ hours labor + 2½ tractor-hours + material @ \$4.50		14.38			
Pest management and materials		35.00			
Nematode treatment – once in 3 years		17.00			
Irrigation preparation and weed control – 4 hours labor + 4 tractor-hours		15.80			
Irrigate – 8 hours labor @ \$2.65		21.20			
Water – power and/or district tax – 4 acre-feet @ \$7.00		28.00			
Misc. labor – 8 hours labor + 2 tractor-hours		21.70			
Misc. materials, stakes, twine, etc.		16.50			
County taxes		31.00			
Repairs, except tractor		9.00			
Business and office costs, operating capital, insurance, etc.		53.07			
Total Pre-Harvest Cash Costs		\$514.80	\$		
DEPRECIATION					
Vines, stakes, trellis – cost \$1,450, 30 years		\$ 48.33	\$		
Irrigation system – cost \$280, 20 years		14.00			
Buildings and equipment, except tractor – cost \$114, 12 years		9.50			
Tractor – 8½ hours @ \$1.30		11.05			
Total Depreciation		\$ 82.88	\$		
INTEREST ON INVESTMENT @ 7%					
Vines, stakes, trellis – ½ cost, \$725		\$ 50.75	\$		
Irrigation system – ½ cost, \$140		9.80			
Buildings and equipment, except tractor – ½ cost, \$57		3.99			
Tractor – 8½ hours @ 75¢		6.38			
Land – @ \$900/acre		63.00			
Total Interest on Investment		\$133.92	\$		
TOTAL PRE-HARVEST COSTS		\$731.60	\$		
COSTS PER LUG OF PACKED FRUIT					
	HOUSE PACKED			FIELD PACKED	
	Sample Cost	Your Cost		Sample Cost	Your Cost
Pre-harvest cost	\$ 1.58	\$	Pre-harvest cost	\$ 1.58	\$
Pick and haul	.45		Pick, pack, supervision	.75	
Packing house costs	1.40		Boxes, etc.	.60	
Cold storage, if any	--		Spread boxes, swamp, haul	.10	
			Pre-cooling, handling, loading	.10	
			Cold storage, if any	--	
TOTAL	\$ 3.43	\$	TOTAL	\$ 3.13	\$
Net credit – culls @ \$20/ton	- .11		Net credit – stripping	--	
NET F.O.B. COST*	\$ 3.32	\$	NET F.O.B. COST*	\$ 3.13	\$
TOTAL F.O.B. COST PER LUG AT VARYING YIELDS					
Yield – Packed Boxes	300	400	500	600	
House Packed	\$4.18	\$3.57	\$3.20	\$2.96	
Field Packed	3.99	3.38	3.01	2.77	

* Selling commission, Table Grape Commission assessment, and any inspection charges are not included.

Based on an 80-acre unit. Labor @ \$2.30 and \$2.65 per hour total. Tractor per hour cash costs, \$1.30; depreciation, \$1.30; interest, \$.75. Yield is 464 26-pound lugs (77/ton) — 6 tons shipped and 2.5 tons culls.

ABOUT THIS SHEET

This sheet is one of a series on sample costs of producing grapes in the San Joaquin Valley. The series includes information on Thompson Seedless for Raisins and Wine, Thompson Seedless for Table Use, Emperors, and Wine Varieties. The input and cost data are to be used only as guides in determining the production costs for a specific vineyard and to help growers analyze costs and practices that would increase production efficiency. The figures shown are based on what are considered good management practices in many vineyards. They do not represent industry averages.

YIELD – Yield is the most important factor affecting costs per ton and profit per acre. The yield per acre used in this sample is average over a period of years for a typical, well-managed vineyard. Although this figure is higher than the industry average, some vineyards do better.

IRRIGATION – Sample costs for irrigation labor and water costs are based on a pumping system with pipeline. Labor cost per acre is affected by the number of irrigations, quantity applied, and size of head. Large heads of water may lower the labor costs. When all the water is from an irrigation district, the investment overhead costs of depreciation and interest on irrigation facilities are normally lower.

PEST AND DISEASE CONTROL – Dusting and spraying costs may vary considerably from year to year. Control measures required also vary between vineyards. The sample costs shown on this sheet are based on average conditions.

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