

1970

GRAPE PRODUCTION COSTS IN THE SAN JOAQUIN VALLEY

WINE VARIETIES

This cost analysis worksheet considers the highly productive varieties Carignane, Grenache, and French Colombard, and the moderately productive varieties, such as Ruby Cabernet, Barbera, Tinta Madeira, and Emerald Riesling.

Cost Analysis Worksheet
Showing Sample Costs

University of California

Agricultural Extension

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Cost of Production
UC Cooperative Extension

	COST PER ACRE	
	Sample Cost	Your Cost
PREHARVEST CASH AND LABOR COST		
Pruning – contract ^{1,2} @ 8¢	\$ 38.00	\$
Brush disposal – contract alternate middles	2.25	
Fertilizer – 40 pounds N @ 14¢ applied	5.60	
Pest and disease control application – 1 man-hour + 1 tractor-hour + 1 contract spray @ \$5	8.45	
Pest and disease control material	7.00	
Tillage, irrigation preparation, weed control – 3½ man-hours + 3½ tractor-hours	12.08	
Irrigate – 4 man-hours @ \$2.15	8.60	
Water – irrigation tax and/or power, 3½ acre-feet	12.00	
Misc. labor – 3 man-hours + 1 tractor-hour	7.25	
Misc. material	8.00	
County taxes	31.00	
Office, car, interest on operating capital, etc.	22.00	
Repairs – irrigation system and equipment, except tractor	7.00	
Total Preharvest Cash and Labor Cost	\$169.23	
DEPRECIATION		
Vines, stakes, and trellis – establishment cost \$962, 30-year life	\$ 32.07	
Irrigation system – cost \$230, 20-year life	11.50	
Buildings and equipment, except tractor – cost \$100	7.50	
Tractor – 5½ hours @ \$1.25	6.88	
Total Depreciation Cost	\$ 57.95	
INTEREST ON INVESTMENT AT 7%		
Vines, stakes, and trellis – on ½ cost (\$481)	\$ 33.67	
Irrigation system – on ½ cost (\$115)	8.05	
Buildings and equipment, except tractor – on ½ cost (\$50)	3.50	
Tractor – 5½ hours @ 60¢	3.30	
Land – @ \$800	56.00	
Total Interest on Investment	\$104.52	
TOTAL COST EXCEPT HARVESTING	\$331.70	

	COST PER TON			
	Moderate Yielding		High Yielding	
	Sample Cost	Your Cost	Sample Cost	Your Cost
HARVESTING AND TOTAL COST PER TON				
Total cost, except harvesting	\$41.46	\$	\$30.15	\$
Pick and haul to winery – contract ²	19.00		16.00	
Misc. harvesting	.75		.50	
TOTAL COST OF PRODUCTION PER TON	\$61.21		\$46.65	
TOTAL COST OF PRODUCTION PER TON AT VARYING YIELDS				
High Yielding Varieties				
8 tons = \$57.96 10 tons = \$49.67 12 tons = \$44.14 14 tons = \$40.19				
Moderate Yielding Varieties				
6 tons = \$75.03 7 tons = \$67.14 9 tons = \$56.61 10 tons = \$52.92				
Based on an 80-acre vineyard operation; yield at 11 tons for high yielding varieties and 8 tons for moderate yielding varieties. Man labor @ \$1.90 and \$2.15 per hour (includes Workmen's Compensation, Social Security, and other benefits); medium-wheel tractor per hour cash cost, \$1.30; depreciation, \$1.25; interest, \$0.60.				

¹ Includes zinc daubing on Muscats.

² Varies according to variety.

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, Golden Bleached Raisins, and Table Use, Zante Currants, Muscats, 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 an 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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