



SAMPLE
COSTS OF GROWING
DIRECT SEEDED
TOMATOES IN SAN
JOAQUIN COUNTY

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SAMPLE COSTS TO PRODUCE DIRECT SEEDED TOMATOES
 SAN JOAQUIN COUNTY - NOVEMBER, 1965
 600 Acre Farm with 200 Acres in Tomatoes
 Yield: 24 Tons per Acre
 NOVEMBER, 1965

Production Data:

Operation	Hours per Acre	Cash and Labor Cost per Acre			Total
		Labor	Fuel and Repairs	Materials Kind and Quantity Cost	
Cultural Costs:					
Disc 2 x	.5	0.97	1.25		2.22
Subsoil 2x	1.5	2.90	3.38		6.28
Plow	.75	1.45	1.88		3.33
Landplane 2x	0.5	.97	1.25		2.22
Disc	.25	0.48	0.63		1.11
Chisel and harrow	.33	0.64	0.83		1.47
Furrow & Fertilize (Contract)	--	--	--	Fert. - \$10.00 Appl. - \$3.00	13.00
Weed Control	0.5	0.97	1.25	Chemical - \$24.00	24.00
Plant	.4	.77	.62	Seed (3/4#)	11.25
Irrigate 3x	3.0	5.28	--	Water-1 Ac.Ft. @ \$3.75	3.75
Cultivate 3x	1.0	1.93	1.70		3.63
Chisel Furrows	.5	0.97	1.25		2.22
Sidedress Fert. (Contract)	--	--	--	Fert. - \$9.50 Appl. - \$2.00	11.50
Thin & Hoe	18.0	29.70	--		29.70
Supervise & Transp. Hoeing Crew	.3	0.83	--	See Note #1	1.80
Insect Control (Ground Rig)	--	--	--	Insecticide \$3.50 Appl. \$3.00	6.50
Insect Control 3x (Air)	--	--	--	Insecticide - \$12.00 Appl. - \$7.50	19.50
Irrigate 6x	6.25	11.00	--	Water - 3½ Ac.Ft. @ \$3.75	13.03
Open, Close ditches prep. field for harvest	1.0	1.93	2.50		4.43
TOTAL CULTURAL COSTS		60.79	16.54		104.33
COST PER TON					7.57

Operation	Hours per Acre	Cash and Labor Cost per Acre				Total
		Labor	Fuel & Repairs	Kind and Quantity	Cost	
Harvest Costs:-						
Box Rent	--	--	--	1032 Boxes @ 1¢	10.32	10.32
Pick	150.00	247.68	--	1032 Boxes @ 24¢	247.68	247.68
Load	8.0	30.96	--	1032 Boxes @ 3¢	30.96	30.96
Inspection	--	--	--	24 Tons @ 17¢	4.08	4.08
Dockage 2%	--	--	--	See Note #2	7.89	7.89
Rejects (1½%)	--	--	--	See Note #3	4.61	4.61
Recruit and Transp. harvest labor	--	--	--	See Note #4	44.20	44.20
Labor Contractor Fee	--	--	--	1032 Boxes @ 5¢	51.60	51.60
Move empty boxes in field, clean up at harvest	.25	.41	--	(50 man hours @ \$1.65)		.41
Comp. Insurance	--	--	--	\$2.00 per \$100 earned on harvest labor	5.58	5.58
Tomato Growers Ass'n				24 Tons @ 10¢	2.40	2.40
TOTAL HARVEST COSTS		126.25	255.83		409.73	409.73
Cash Overhead:						
Misc., Office, etc.	2.0	3.86	--	See Note #5	25.71	29.57
Taxes (Equip.)					.90	.90
Rent				24 Tons x 17% x \$35	142.80	142.80
TOTAL CASH OVERHEAD						173.27
TOTAL CASH COST						746.66
MANAGEMENT 5% of Market Value				See Note #6		42.00
Annual Cost						
<u>Investment</u>	<u>Per Acre</u>		<u>Depreciation</u>	<u>Interest</u>		<u>Total</u>
Equipment	226.14		17.87	4.83		22.70
TOTAL COST PER ACRE						787.36
Cost Per Ton	@ 24 Tons/Acre Yield					32.81

EQUIPMENT LIST

Item	Original Cost		Years Life	Annual Use (Acres)	Non-Cash Overhead	
	Total	Per Acre Annual Use			Depre- ciation	Interest at 6%
1 Crawler tractor 75 H.P. - D	22,000	44.00	10	500	4.40	1.32
1 Wheel tractor 65 H.P. - D	7,000	17.50	10	400	1.75	0.53
2 Wheel tractors 40 H.P. - G	9,000	22.50	10	400	2.25	0.68
3 Cultivators+tool bars & seeders	4,000	10.00	10	400	1.00	0.30
1 Planter-culti- vator sled	3,000	10.00	10	300	1.00	0.30
1 Landplane	3,600	9.00	10	400	0.90	0.27
2 Discs - 12 Feet	2,800	5.60	10	500	0.56	0.17
1 Chisel	800	2.00	10	400	0.20	0.06
2 Harrows	300	0.75	10	400	0.08	0.02
1 Subsoiler	1,400	4.67	10	300	0.48	0.14
Siphons	600	1.20	10	500	0.12	0.04
1 Flat bed trailer	2,000	5.00	10	400	0.50	0.15
1 Ditcher	400	1.00	10	400	0.10	0.03
1 Tool carrier	1,500	3.00	10	500	0.30	0.09
1 Plow - 4 bottom 16 inch	900	4.50	10	200	0.45	0.14
1 Sprayer (ground- rig)	800	2.67	10	300	0.27	0.08
1 Truck - 1½ Ton	4,500	5.50	6	400	0.91	0.14
1 Pickup	2,400	4.00	5	600	0.80	0.12
1 Pickup	1,200	2.00	3	600	0.67	0.06
TOTALS	72,700	226.14			17.87	4.83

NOTES:

1. Supervision and Transportation of Hoeing Crew

A. Foreman - \$25 per day for 6 (9 hr.) days	\$150.00
B. Bus - \$20 per day for 6 days	120.00
C. Camp Costs - 75¢ per man (20) for 6 days	90.00
	\$360.00

F. $\$360.00 \div 200 \text{ Acres} = \1.80 per acre

2. Dockage -

In 1965 most processors were not docking for below fairly well colored fruit. This has lowered the dockage figure to about 2%. \$1.00 per ton is allowed for the fruit. Harvest cash costs are \$16.45.

4,800 tons x 2% = 96 Tons
 96 tons @ \$16.45 = 1579.20 for
 200 acres or \$7.89 per acre

3. Rejects - approximately 1½% of all loads in San Joaquin County were rejected in 1965.

A. 4,800 tons x 1½% = 72 tons rejected	
B. Return freight - \$3.00 per ton (minimum) =	\$216.00
C. Approximately half the loads (36 tons) were dumped - approximately 6 man hours @ \$1.50 =	9.00
D. Half the loads (36 tons) were re-conditioned - approximately 70 man hours @ \$1.50	105.00
E. Loss of harvest costs (36 tons x \$16.45) =	592.20
	\$922.20

F. $\$922.20 \div 200 \text{ acres} = 4.61 \text{ per acre}$

4. Recruitment and Transportation of Harvest Labor.

Growers using Mexican Nationals in 1965, in addition to recruiting domestic labor put up \$200 for each Mexican National. The breakdown of this is (1) \$50.00 for transportation (2) \$35.00 for "skippers" (Nationals who "take off" and are rounded up by the Border Patrol), (3) \$100.00 for short range claims against the employer for underpayment, and (4) \$15.00 for long range claims against the employer for underpayment.

It appears that approximately \$3.50 of the \$35.00 for "skippers" will be used, but that no claims will be made under numbers (3) or (4) above.

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|---|----------|
| A. Transportation of domestics (day haul) - 1 bus
\$20.00 per day for 20 days = \$400.00 | \$400.00 |
| B. Foreman - \$25.00 per day x 20 days | 500.00 |
| C. Transportation of Nationals from border -
40 men x \$50 = \$2,000.00 | 2,000.00 |

D. "Skipper" cost - 40 men x \$3.50 =	140.00
E. Bus for Nationals - \$20.00 per day x 50 days	1,000.00
F. Foreman - \$25.00 per day x 50 days	1,250.00
G. Checker - \$22.00 per day x 50 days	1,100.00
H. Camp Costs - 75¢ per man (40) per day (55) =	1,650.00
I. Labor Assn. Office Assessment - 35¢ per man (40) per day (50)	700.00
J. Labor Assn. Membership - \$100.00	100.00
	<u>100.00</u>
	TOTAL \$8,840.00
K. \$8,840.00 ÷ 200 acres = \$44.20 per acre	

5. Miscellaneous expense has been found to be approximately 5% of the cultural and harvest costs. The costs include smoothing farm roads incidental to trucking the tomatoes, 2-way radio maintenance, office expense (checks; bookkeeping, postage,) costs on pick-up, telephone, sanitary facilities, moving and servicing equipment, loss of interest (6%) on \$115 (long and short range claim coverage - see Note #4), interest on borrowed money (operating capital), membership in Farm Bureau and California Council of Growers, etc.

Of this cost approximately 1 hour per acre is labor (@ \$1.93)

6. Management (what your time and decision-making ability is worth) is usually figured at from 5 to 10% of the gross income.
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7. Labor Rates - The hourly labor rates shown include cash wages, social security (for non-harvest labor) and other benefits not itemized. The rates are: (1) Tractor driver - \$1.93, (2) Irrigator - \$1.76, and (3) Common - \$1.65.
8. Tractor operating costs (cash) include cost of fuel, oil, grease, tires, and repairs. These are: 60 H.P. crawler diesel - \$2.00 per hour; 40 H.P. wheel gas - \$1.20 per hour.
9. Transplanted Tomatoes - The cost per ton of growing transplanted tomatoes will be approximately \$2.00 to \$2.50 more per ton than for direct seeded tomatoes depending upon the cultural practices used.
10. Occasional Costs - Certain growers are faced with additional costs that must be added to the costs appearing in this study. These are: (1) Fumigation for control of nematodes (2) Extra insecticide applications to control leafminers, stinkbugs, etc., (3) Strike insurance, (4) Re-planting due to loss of stand, (5) Protection against birds, rabbits and other animals, (6) Others.

**COMPARATIVE COSTS PER TON AT VARIOUS CONTRACT
PRICES, PERCENTAGE RENTS AND YIELDS,**

Contract Price and Percentage Rent	YIELD (Tons)					
	20	22	24	26	28	30
\$25 per ton (Rent) 15%	33.60	32.45	31.49	30.68	30.34	29.38
	34.10	32.95	31.99	31.18	30.87	29.88
	34.85	33.70	32.16	31.93	31.68	30.63
\$30 per ton 15%	34.60	33.45	31.16	31.68	31.41	30.38
	35.20	34.05	31.76	32.28	32.05	30.98
20%	36.10	34.95	32.66	33.18	33.02	31.88
\$35 per ton 15%	35.61	34.45	32.16	32.68	32.48	31.38
	36.30	35.15	32.81	33.38	33.23	32.08
	37.36	36.20	33.90	34.43	34.36	33.13

NOTE: The costs per ton occurring within the area outlined by dotted lines (---) are less than the contract price per ton, indicating a net profit.