

Cooperative Extension, University of California

SAMPLE COSTS TO ESTABLISH A VINEYARD FOR
WINE GRAPE PRODUCTION

Santa Barbara and San Luis Obispo Counties - 1982

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| Costs per Acre | | | |
|--|------------------|------------------|------------------|
| | 1st year | 2nd Year | 3rd Year |
| Yield: tons per acre | | | 1/2 ton |
| Pre-Harvest Costs: | | | |
| Land preparation: | | | |
| 2-1/2 hrs. labor & tractor | \$ 48.63 | | |
| Rip: 1 hr. labor & tractor - custom | 110.00 | | |
| Fumigation | 700.00 | | |
| Rootings: 520 at 50¢ (50, 2nd yr.) | 260.00 | \$ 25.00 | |
| Mark & plant, 20¢ (2nd yr., \$100) | 104.00 | 50.00 | |
| Stakes, 520 @ \$1.15, steel 7' stakes | | 598.00 | |
| End posts, 10 @ \$5.00 | | 50.00 | |
| Distribute & set stakes & posts: | | | |
| 17¢ & \$3.25 | | 120.90 | |
| Wire: 240 lbs. for 3 wires | | | |
| at 38¢/lb. | | 91.20 | |
| String 3 wires & staple | | 45.00 | |
| Training, 26 hrs., 2nd yr. | | 182.00 | |
| Training & suckering, 15 hrs., 3rd yr. | | | \$ 105.00 |
| Prune & tie; tying (labor) | | 56.00 | 63.00 |
| Rodent, deer & bird control | 13.45 | 13.45 | 13.45 |
| Irrigate, 7 times, 2 hrs. labor, | | | |
| \$8.35 rate | 16.70 | 16.70 | 16.70 |
| Water, 1 acre ft. at \$90.00 | | | |
| (sprinklers) | 90.00 | 90.00 | 90.00 |
| Disc or cultivate 10 times | | | |
| 4 hrs. labor & tractor | 77.80 | 77.80 | 77.80 |
| Hand work | 134.00 | 67.00 | 67.00 |
| Pest & disease control: | | | |
| materials & application | | 35.50 | 43.40 |
| Misc. labor, materials, machine time | 20.00 | 26.80 | 33.50 |
| County taxes, estimate | 52.00 | 52.00 | 52.00 |
| Repairs, except tractor | 40.00 | 57.00 | 70.00 |
| Supervision | 17.30 | 17.30 | 20.25 |
| Office & business costs | 134.71 | 133.73 | 52.17 |
| TOTAL PRE-HARVEST COSTS | \$1818.59 | \$1805.38 | \$ 704.27 |
| Harvesting Costs: | | | |
| Pick: \$127/ton | | | \$ 63.50 |
| Haul: \$18.50/ton | | | 9.25 |
| Supervision: \$10.75/acre | | | 10.75 |
| TOTAL HARVESTING COSTS | | | \$ 83.50 |
| TOTAL CASH COSTS | \$1818.59 | \$1805.38 | \$ 787.77 |

(continued on back)

Establish wine grape vineyard - 1982

| | Costs per Acre | | |
|--|------------------|------------------|------------------|
| | 1st Year | 2nd Year | 3rd Year |
| <u>Depreciation</u> | | | |
| Irrigation system, \$2000, 16 yrs.. | \$ 125.00 | \$ 125.00 | \$ 125.00 |
| Buildings & equipment except tractor, \$286.00, 15 yrs. | 19.07 | 19.07 | 19.07 |
| Tractor, \$3.00 per hour | 21.00 | 13.50 | 16.50 |
| TOTAL DEPRECIATION | \$ 165.07 | \$ 157.57 | \$ 160.57 |
| <u>Interest on Investment @ 14%</u> | | | |
| Irrigation system, 1/2 cost, \$1000 | \$ 140.00 | \$ 140.00 | \$ 140.00 |
| Buildings & equipment except tractor, 1/2 cost, \$143 | 20.02 | 20.02 | 20.02 |
| Tractor, \$2.10 per hour | 14.70 | 9.45 | 11.55 |
| Land, \$5500 | 770.00 | 770.00 | 770.00 |
| Interest on operating capital, 1st yr. | 127.30 | | |
| Interest on accumulated costs | | 427.80 | 894.03 |
| TOTAL INTEREST ON INVESTMENT | \$1072.02 | \$1367.27 | \$1835.60 |
| TOTAL COST FOR THE YEAR | \$3055.68 | \$3330.22 | \$2783.94 |
| CREDIT FOR FRUIT SALES @ \$650 ton | | | 325.00 |
| NET COST FOR THE YEAR | \$3055.68 | \$3330.22 | \$2458.94 |
| TOTAL ACCUMULATED COST | \$3055.68 | \$6385.90 | \$8844.84 |