



*Sample Costs*

*to Establish a*

**WINE VARIETY  
VINEYARD**

*in the San Joaquin Valley*

**1976**

Division of Agricultural Sciences  
UNIVERSITY OF CALIFORNIA

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WINE VARIETIES - Cost of Establishing a Vineyard  
 Cost Analysis Worksheet, 1976

Based on a 120-acre unit. Labor costs at \$3.30 and \$4.00 per hour total. Tractor per hour cash costs at \$2.60, depreciation at \$1.65, and interest at \$ .82. Wages include Social Security, Workmen's Compensation, insurance, and all other fringe benefits.

| Yield (Tons/Acre)   | Costs Per Acre   |                  |                  |
|---|------------------|------------------|------------------|
|   | 1st year         | 2nd year         | 3rd year         |
|   | -                | -                | 4                |
| <b>Pre-Harvest Cash Costs:</b>  |                  |                  |                  |
| Fumigate: materials and application   | \$ 215.00        |                  |                  |
| Pre-plant weed control: materials & application   | 15.00            |                  |                  |
| Land preparation: chisel, disc, float, etc.   | 55.00            |                  |                  |
| Rootings: 480 (+20, 2nd yr.) @ 22¢  | 105.60           | \$ 4.40          |                  |
| Trim and misc. planting labor: 8 hrs. labor   | 26.40            |                  |                  |
| Machine planting - \$30/acre (20 rootings @ 6 1/2¢<br>+ 1 1/2 hrs. labor, 2nd yr.)  | 30.00            | 11.20            |                  |
| Stakes (treated): 480 7-foot @ \$ .65   |                  | 312.00           |                  |
| End posts (treated): 11 8-foot @ \$3.50   |                  | 38.50            |                  |
| Stake and set end posts - 10¢ stakes & \$1.00<br>end posts  |                  | 59.00            |                  |
| Wire: 246 lbs. 13 gauge high tensile<br>(3 wires @ 27 1/2¢/lb.)   |                  | 67.65            |                  |
| String three wires and staple   |                  | 39.00            |                  |
| Training and suckering: 40 hrs. labor, 2nd yr.,<br>10 hrs. labor, 3rd yr.   |                  | 132.00           | \$ 33.00         |
| Tying materials   |                  | 11.00            | 6.00             |
| Prune and tie: 5 hrs. labor, 2nd yr.,<br>12 hrs. labor, 3rd yr.   |                  | 16.50            | 39.60            |
| Rabbit control  | 10.00            | 5.00             |                  |
| Irrigation labor: 5 hrs. each year @ \$4.00   | 20.00            | 20.00            | 20.00            |
| Water-power and/or district tax   | 17.00            | 19.00            | 23.00            |
| Irrigation preparation and weed control: 6 hrs.<br>labor + 4 tractor hrs., 1st yr.; then 8 hrs.<br>labor + 4 tractor hrs. | 33.00            | 39.60            | 39.60            |
| Fertilizer: 30¢ applied (25 lbs. N, 2nd yr.,<br>40 lbs. N, 3rd yr.)   |                  | 7.50             | 12.00            |
| Mildew control: 2 hrs. labor + 2 tractor hrs.<br>+ materials \$3.50   |                  |                  | 16.70            |
| Pest management and materials   |                  |                  | 25.00            |
| Misc. labor and materials, including 1 hr. labor<br>+ 1 tractor hr.   | 20.00            | 17.00            | 20.00            |
| County taxes  | 40.00            | 40.00            | 50.00            |
| Repairs, except tractor   | 17.00            | 19.00            | 19.00            |
| Business and office costs, operating capital,<br>insurance, etc.  | 36.24            | 51.50            | 26.63            |
| <b>TOTAL PRE-HARVEST CASH COSTS</b>   | <b>\$ 640.24</b> | <b>\$ 909.85</b> | <b>\$ 330.53</b> |
| <b>Harvest Costs:</b>   |                  |                  |                  |
| Contract - \$35/ton - pick and haul   |                  |                  | \$ 140.00        |
| <b>TOTAL HARVEST COSTS</b>  |                  |                  | <b>\$ 140.00</b> |
| <b>TOTAL CASH COSTS</b>   | <b>\$ 640.24</b> | <b>\$ 909.85</b> | <b>\$ 470.53</b> |
| <b>Depreciation:</b>  |                  |                  |                  |
| Irrigation system: \$280, 20 yr. life   | \$ 14.00         | \$ 14.00         | \$ 14.00         |
| Bldgs. & equip., except tractor:<br>\$140, 12 yr. life  | 11.67            | 11.67            | 11.67            |
| Tractor: \$1.65/hr.   | 8.25             | 8.25             | 11.55            |
| <b>TOTAL DEPRECIATION</b>   | <b>\$ 33.92</b>  | <b>\$ 33.92</b>  | <b>\$ 37.22</b>  |

Interest on Investment @ 8%:

|   |                  |                  |                  |
|---|------------------|------------------|------------------|
| Irrigation system: 1/2 cost \$140                 | \$ 11.20         | \$ 11.20         | \$ 11.20         |
| Bldgs. & equip., except tractor:<br>1/2 cost \$70 | 5.60             | 5.60             | 5.60             |
| Tractor: \$ .82/hr.                               | 4.10             | 4.10             | 5.74             |
| Land: \$1500/acre                                 | 120.00           | 120.00           | 120.00           |
| Interest on accumulated costs                     |                  | 65.20            | 157.19           |
| <b>TOTAL INTEREST ON INVESTMENT</b>               | <b>\$ 140.90</b> | <b>\$ 206.10</b> | <b>\$ 299.73</b> |
| <b>TOTAL COST FOR THE YEAR</b>                    | <b>\$ 815.06</b> | <b>\$1149.87</b> | <b>\$ 807.48</b> |
| <b>CREDIT FOR FRUIT @ \$80/TON</b>                |                  |                  | <b>\$ 320.00</b> |
| <b>NET COST FOR THE YEAR</b>                      | <b>\$ 815.06</b> | <b>\$1149.87</b> | <b>\$ 487.48</b> |
| <b>TOTAL ACCUMULATED COST</b>                     | <b>\$ 815.06</b> | <b>\$1964.93</b> | <b>\$2452.41</b> |

ABOUT THIS SHEET

This sheet is one of a series on sample costs of establishing vineyards in the San Joaquin Valley. This series includes: Thompson Seedless for Raisins or Wine, Thompson Seedless for Table Use, Emperors, and Wine Varieties. These input and cost data are to be used only as guides in determining the costs of establishing a specific vineyard. They are not intended to represent industry averages.

LAND PREPARATION - The cost of leveling land for irrigation is included in the land value. Additional costs may include chiseling or deep ripping.

ROOTINGS - Cost is based on planting rooted cuttings. When cuttings are planted directly in the vineyard, the overall cost of cuttings, planting, and replanting is sometimes less.

IRRIGATION - Irrigation labor and water sample costs are based on a pumping system with pipeline. 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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