Enterprise Data Sheet
December, 1950
(200 c.)

Butte County Agricultural Extension Service, Post Office Building
Oroville, California

OL-SV-50

OLIVES

Olive orchards occupy slightly over 4000 acres in Butte County. For many years the Mission has been the standard variety grown with lesser amounts of Manzanillo, Sevillano, Ascolano, and with scattered small plantings of such minor varieties as Barouni and St. Agostino. Recently the trend of many plantings has been toward a higher percentage of Manzanillo because of their larger size and earlier maturing as compared to Missions.

REQUIREMENTS -- Olives will grow or at least exist under very adverse circumstances when compared with most other orchard trees. They do not require either a deep soil or what is normally called a rich soil for satisfactory production, but the soil must be well drained. Olives will live under Butte County conditions without summer irrigation but not produce satisfactorily and the size of the fruit will seldom reach pickling size. Except for a few plantings where the fruit is used entirely for oil, all of the olives in Butte County are irrigated. Climate is an important factory in olive production primarily from the standpoint that fall frosts usually injure a part of the Mission crop so that it cannot be used for canning and must be processed for oil. A location, therefore, that is as free as possible from early fall frosts is desirable

YIELDS AND PRICES -- Yields vary from year to year and from orchard to orchard but an average figure is from 1 to 2 tons per acre. Yields, however, up to 5 to 6 tons per acre are not uncommon. All of the varieties except Missions are primarily used for canning. Approximately half the Missions are canned and the other half goes for oil. There has been great variation in the prices farmers have received for their olives during the last 20 years. The lowest price during this period was in 1932 when the average price for canning fruit was $44 a ton and for oil olives $20 a ton. The highest price was in 1946 when fruit for canning averaged $450 a ton and for oil $216 a ton. Average price for olives used for all purposes for the last 5 years is $220 a ton, but in the 10 year period from 1930 to 1940 the average was $57 a ton. The price of $208 a ton used on the other side of this sheet was used because it is the actual price for the years since the last war to date. It should be obvious, however, that through a long period of time olive growers should not base their enterprise on the hope that prices will average that high.

SIZE OF ENTERPRISE -- Except in periods of abnormally high prices, the unit should be at least 25 acres, and even this will not be large enough during periods of low prices. The many smaller plantings found in Butte County are supported by supplemental income of one kind or another. There is no competition to the canned ripe olives produced here but imports from other countries compete with oil, Greeks, and canned green olives.

PLANTING RECOMMENDATIONS -- Olives are normally very long lived and under favorable conditions reach a large size. If planted too close, the center of the trees shade out, insects and disease are worse and are harder to control, and the trees tend to grow too tall. Many orchards in the past have been planted on a spacing of 22 to 24 feet but this is too close. Spacing of 32 to 35 feet is much better in the long run even though it will take some time for young trees to make full use of all the soil.

OLIVE PRODUCTION COSTS -- A summary of average costs is shown on the other side of this sheet. It should be repeated that these figures are based on abnormal conditions. Probably both costs and selling prices will, in the long run, be much lower than those used, but there is no way of knowing what they will actually be.

Production Data for OLIVES In Butte County

This data sheet is one of a series that has been compiled on Butte County crops for the use of those who are contemplating the purchase of a farm and need some sort of measure as to what might be expected in the way of costs and returns from different crops they might raise. These data are based on cost of production studies, crop reporting service price figures, and, in part, on estimates. We believe they are as accurate as can be compiled for a purpose of this kind, but because of all the variables involved, they must be used only as a basic guide.

Size of Enterprise	25 acres
Estimated Average Yield	2 tons per acre
1946-49 Average Price	$208.00 per ton
Farm Income	* $4800.00

*This figure represents the estimated gross income, minus cash costs (including a depreciation charge but not including interest on the investment) plus the cash value of the operator's labor.

		Cost Per Acre	
Cultural Labor -------	40 hrs. @ $1.00	$ 40.00	
Tractor and Truck -----	8 hrs. @ $1.50	12.00	
Harvesting ----------	4000 lbs. @ $.03½¢	140.00	
Hauling ----------	2 tons @ $2.00	4.00	
Total Labor Costs			$ 196.00
Material Cost		$ 30.00	
Cash Overhead		12.00	
Depreciation		22.00	
			64.00
Total Cash and Depreciation			$ 260.00
Gross Income			$ 416.00
Net Income (excluding operator's labor)			$ 156.00
Net Income on 25 acres		$3900.00	
Operator's Labor - 900 hrs. @ $1.00		900.00	
Farm Income		$4800.00	