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VINEYARD ESTABLISHMENT COSTS IN THE SAN JOAQUIN VALLEY

WINE VARIETIES

This cost analysis worksheet considers the 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 PER ACRE		
	1st Year	2nd Year	3rd Year
PREHARVEST CASH AND LABOR COST			
Land preparation — chisel, disc, float, etc.	\$ 20.00	\$	\$
Trim and misc. planting labor	15.00		
Machine planting @ 4¢	19.20	2.70	
Rootings — 480 (+ 20, 2nd year) @ 19¢	91.20	3.80	
Stake and set end posts — @ 5½¢ and 30¢		29.70	
Stakes (treated) — 480, 6 ft @ 41¢		196.80	
End posts (treated) — 11 @ \$2		22.00	
String 2 wires and staple*		6.50	
Wire — 200 pounds, #12 @ 10¢		20.00	
Training and suckering — 26 man-hours, 2nd year; 7 man-hours, 3rd year		49.40	13.30
Twine		3.25	1.60
Prune and tie — 3 man-hours, 2nd year; 7 man-hours, 3rd year		5.70	13.30
Rabbit control	7.50	2.50	
Irrigation labor — 5 man-hours @ \$2.15	10.75	10.75	10.75
Water — 3½ acre-feet, power and/or irrigation district tax	9.00	10.50	12.00
Tillage, irrigation preparation and weed control — 6 man-hours + 4 tractor-hours, 1st year and then 4 man-hours and 4 tractor-hours	17.60	13.80	13.80
Fertilizer — (25 pounds N, 2nd year; 40 pounds N, 3rd year) — @ 14¢ applied		3.50	5.60
Pest and disease control — 3rd year: 1 man-hour + 1 tractor-hour and contract spray @ \$5			8.45
Pest and disease control material			7.00
Misc. labor and material — including tractor	6.00	10.00	12.00
County taxes	20.00	21.00	21.00

	COST PER ACRE		
	1st Year	2nd Year	3rd Year
PREHARVEST CASH AND LABOR COST — continued			
Office, car, interest on operating capital, etc.	15.60	29.30	9.00
Repairs, except tractor	7.00	7.00	7.00
Total Preharvest Cash and Labor Cost	\$238.85	\$448.20	\$134.80
DEPRECIATION COST			
Irrigation facilities — \$230 cost	\$ 11.50	\$ 11.50	\$ 11.50
Buildings and equipment except tractor — \$100 cost	7.50	7.50	7.50
Tractor — 6 hours @ \$1.25	7.50	7.50	7.50
Total Depreciation Cost	\$ 26.50	\$ 26.50	\$ 26.50
Total Cash and Depreciation Cost	\$265.35	\$474.70	\$161.30
INTEREST ON INVESTMENT @ 7%			
Irrigation facilities — on ½ cost (\$115)	\$ 8.05	\$ 8.05	\$ 8.05
Buildings and equipment, except tractor — on ½ cost (\$50)	3.50	3.50	3.50
Tractor — 6 hours @ 60¢	3.60	3.60	3.60
Land — @ \$800	56.00	56.00	56.00
Interest on accumulated cost		23.56	63.41
Total Interest on Investment	\$ 71.15	\$ 94.71	\$134.56
TOTAL COST FOR YEAR	\$336.50	\$569.41	\$295.86
NET CREDIT FOR FRUIT (varies with variety)			\$240.00
NET COST FOR YEAR	\$336.50	\$569.41	\$ 55.86
TOTAL ACCUMULATED COST	\$336.50	\$905.91	\$961.77
Based on 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.			

* Cost of adding more wire with 30-inch crossarms is about \$10.5 (2nd year).
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ABOUT THIS SHEET

This sheet is one of a series on sample costs of establishing vineyards in the San Joaquin Valley. The 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. Subsoiling, fumigation, or releveling costs would be additional.

ROOTINGS – Cost is based on planting rooted cuttings. When cuttings are planted directly in the vineyard, the overall cost of rootings, planting, and replanting is sometimes less. If resistant rootstocks are used, the overall cost would probably be about \$200 more per acre.

IRRIGATION – Irrigation labor and water sample 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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