

**COSTS OF ESTABLISHING A WINE GRAPE VINEYARD
IN SAN JOAQUIN COUNTY
OCTOBER 1992**

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Sample costs presented here are based on:

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- Good cultural practices in developing an 80-acre wine variety vineyard, such as Cabernet Sauvignon, on resistant rootstocks planted 7 feet by 10 feet, 622 vines per acre. These input and cost data are to be used only as a guide in determining the cost of establishing a specific vineyard. They are not intended to represent industry averages.

II

- Labor costs based on \$6.00 and \$7.80 per man hour. (Includes Workmen's Compensation, Social Security, Unemployment Insurance and other benefits, based on 20% of cash wage.) Medium-wheel tractor at \$6.50 per hour cash costs.

III

- Interest charges of 10% for cost of land and buildings is excluded but valued at \$8000 per acre

New cost of:	Buildings	\$150 per acre
	Irrigation System	750 per acre
	Equipment	880 per acre

Interest is determined on one-half the original value.

**1992 SAMPLE COST TO ESTABLISH A VINEYARD
SAN JOAQUIN COUNTY**

7x10 Spacing - Cabernet Sauvignon/Freedom

PREHARVEST CASH COSTS	Unit Cost	Man Hours	Cost per Acre		
			Year 1	Year 2	Year 3
Land preparation: ripping, disk 2x, etc.			200.00		
Fumigation, methyl bromide	450.00		450.00		
Survey and mark, 5 Mhrs		5.0	30.00		
Stakes, steel studded T	1.25			777.50	
Set stakes	.12			74.64	
End posts, 12 per acre	6.50	0.3		79.80	
Wire, 2	32.00			96.00	
Clips, 1244 per acre	.05			62.20	
String, 2 wires and fasten		13.0		78.00	
Planting	0.30		186.60		
Rootstocks, No 1 rootings*	1.45		901.90	90.19	
Field Budding* (plus certified bud wood)	0.80		497.60		
Uncover & prune rootstocks*		10.0/ 1.5		60.00	9.00
Cut rubbers, top & place cartons: 4 Mhrs Year 3*		20.0/ 4.0		120.00	24.00
Train, sucker & tie, Mhrs Years 2 & 3	50.00	9.0		300.00	54.00
Tying material	21.60			21.60	12.96
Dormant prune & tie		11.0			66.00
Rabbit control fencing (milk cartons \$0.06)	0.06		35.00	37.32	
Irrigation system (pump & well excluded)	750.00		700.00		
Irrigation, 6 Mhrs		6.0	36.00	36.00	36.00
Water pumped, 1.5 acre feet	20.00	1.5	20.00	30.00	30.00
Cultivation, 6 Mhrs & 6 Thrs	6.00	6.0	336.00	336.00	336.00
Weed control: Hoe 8 Mhrs; Herb. Years 2 & 3	45.00	8.0	48.00	45.00	45.00
Fertilizer & application: Years 1 & 2, 25 lbs Year 3, 40 lbs			18.00	18.00	28.80
Pest & disease control application					40.00
Pest & disease control material					116.00
Miscellaneous labor & material			30.00	30.00	30.00
County taxes, 1% assessed value			30.40	30.40	30.40
Office, truck, interest @ 10%			348.91	229.23	82.78
Repairs, except tractor			45.00	45.00	45.00
TOTAL CASH & LABOR COSTS ANNUAL: ACCUMULATED:			3913.41	2596.88 6510.29	985.94 7496.23

1992 Sample Cost to Establish a Vineyard, San Joaquin County - Continued

	Unit Cost	Man Hours	Cost per Acre		
			Year 1	Year 2	Year 3
Depreciation Costs					
Irrigation system	750.00		37.50	37.50	37.50
Buildings	150.00		7.50	7.50	7.50
Equipment	889.00		44.45	44.45	44.45
TOTAL DEPRECIATION COSTS			89.45	89.45	89.45
Interest on Investment @ 10%	0.10		37.50	37.50	37.50
Irrigation system on 1/2 cost			51.95	51.95	51.95
Buildings & Equipment on 1/2 cost					
Land	8000.00		800.00	800.00	800.00
Interest on accumulated costs			391.34	651.03	749.62
TOTAL INTEREST ON INVESTMENT			1280.79	1540.48	1639.07
TOTAL COSTS FOR YEAR			5283.65	4226.80	2714.46
Net Credit for Crop	Tons/Acre Price/Ton	3.5 550.00			1667.75
Harvest Cost/Ton (pick & haul)		73.50			
TOTAL ACCUMULATED COSTS			5283.65	9,510.45	10,557.16

* Bench graft as green growing potted vine can be substituted for rootstock, budding, uncover and prune and cut rubbers. Cost is \$3.00 per vine or \$1866/acre.

**SAMPLE INVESTMENT AND DEPRECIATION COSTS
FOR AN 80-ACRE WINE VARIETY VINEYARD IN SAN JOAQUIN COUNTY
October 1992**

	Total Cost	Per Acre Cost	Life	Annual Depreciation 80 Acres
Land	\$640,000	\$8,000		
Vines	599,698	7,496	30	\$19,890
Irrigation System	60,000	750	20	3,000
Buildings	12,000	150	30	400
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Equipment				
wheel tractor, 40 HP diesel	18,000	300	10	1,800
disc 8' tandem wheel lift	6,325	79	10	633
rotary chopper	7,500	94	10	750
duster	3,064	38	10	306
sprayer (conc. P.T.O.)	10,000	125	10	1,000
field toilet	1,000	12.50	10	100
pickup truck (used)	12,000	150	5	2,400
miscellaneous equipment	6,680	84	10	668
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Equipment Totals	64,569	882.50		7,657
TOTAL INVESTMENT	1,376,267	17,203.33		
TOTAL DEPRECIATION				31,047