



# WINE GRAPES

COST OF ESTABLISHING A VINEYARD  
IN SAN JOAQUIN COUNTY -- 1966

UC Cooperative Extension  
UNIVERSITY OF CALIFORNIA AGRICULTURAL EXTENSION SERVICE  
SAN JOAQUIN COUNTY

*Carl Reed*

# COST OF ESTABLISHING A WINE VINEYARD IN SAN JOAQUIN COUNTY

SAMPLE COSTS PRESENTED HERE ARE BASED ON:

## I

oOo Good cultural practices in developing an 80-acre wine vineyard with above average yields.

## II

oOo Actual costs from growers who recently developed a wine grape vineyard. Recommended practices.

## III

oOo Labor costs based on \$1.50 and \$1.75 per man hour. (Includes workmen's compensation, Social Security and other benefits).

## IV

oOo Interest charges of 6% for:  
Land valued at \$1200 per acre.  
Buildings, irrigation facilities and equipment valued at \$290 per acre.  
Interest is determined on one-half the original value.

## V

oOo Depreciation based as follows:

	<u>Years Life</u>	<u>Investment per acre</u>
Buildings	25	\$50.00
Irrigation Facilities	20	100.00
Tractor	10	70.00
Other Equipment	10	70.00

## VI

oOo Credit for fruit produced based on 1961-1965 average price of \$61.60 per ton.

REMEMBER - These are only sample costs and will vary according to varieties, rootstocks, etc.

**SAMPLE COST PER ACRE OF ESTABLISHING A WINE VARIETY VINEYARD  
IN SAN JOAQUIN COUNTY**

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	1st Year	2nd Year	3rd Year	4th Year	5th Year
Yield Tons			3.0	5.5	8.0
<b>PRE-HARVEST CASH COSTS:</b>					
Land preparation: Subsoil, disc, float, etc.	20.00				
Planting: 16 man hrs. 2nd yr. 1/hr. 3rd yr. .5 hr.	24.00	1.50	.75		
Rootings (St. George) @ 10¢	41.30	2.50	1.00		
Staking: 10 man hrs.	15.00				
Stakes: 413 6-ft. @ 27¢ treated	111.50				
Budding: 12¢/vine + 7 man hrs.	60.06	12.00	3.00		
Irrigation: 12 man hrs.	18.00	18.00	18.00	18.00	18.00
Water Power Cost:	6.50	6.50	6.50	6.50	6.50
Tillage: hoe, irrig. prep.	13.50	13.50	13.50	13.50	13.50
Rabbit control: labor and material	7.50	2.50			
Dusting and Spraying			5.00	5.00	5.00
Dust and Spray Material			7.50	7.50	7.50
Prune, tie, train, sucker, etc.		31.50	24.00	27.00	30.00
Twine @ 30¢/lb.		3.00	3.00	.60	
Fertilize: 1 man hr. + .5 Tr. hr.			2.38	2.38	2.38
Fertilize: 40# N (3rd, 4th, 5th yr.)			5.20	5.20	5.20
Misc. Labor and Material	5.00	5.00	6.00	8.00	14.00
<b>TOTAL CULTURAL LABOR AND MATERIAL</b>	<b>322.36</b>	<b>96.00</b>	<b>95.83</b>	<b>93.68</b>	<b>102.08</b>
<b>HARVESTING COSTS:</b>					
Pick, load and haul @ \$15.50/ton			46.50	85.25	124.00
<b>CASH OVERHEAD COSTS:</b>					
General expense: 5% of cash cost	16.12	4.80	7.12	8.80	11.30
County taxes	18.00	18.00	22.00	22.00	28.00
Repairs, Ins., misc. cash costs	5.00	5.50	6.50	6.50	6.50
<b>TOTAL CASH OVERHEAD</b>	<b>39.12</b>	<b>28.30</b>	<b>35.62</b>	<b>37.30</b>	<b>45.80</b>
<b>TOTAL CASH COSTS</b>	<b>361.48</b>	<b>124.30</b>	<b>177.95</b>	<b>216.23</b>	<b>271.88</b>
<b>DEPRECIATION AND INTEREST:</b>					
Depreciation on buildings, irrig. facilities and equipment	21.00	21.00	21.00	21.00	21.00
Interest @ 6% on fac. and equip.	8.70	8.70	8.70	8.70	8.70
Interest on land (\$1,200 value)	72.00	72.00	72.00	72.00	72.00
<b>Interest on Accumulated Costs @6%</b>		<b>27.79</b>	<b>43.02</b>	<b>51.29</b>	<b>53.12</b>
<b>TOTAL DEPRECIATION AND INTEREST</b>	<b>101.70</b>	<b>129.49</b>	<b>144.72</b>	<b>152.99</b>	<b>154.82</b>
<b>TOTAL CURRENT COSTS</b>	<b>463.18</b>	<b>253.79</b>	<b>322.67</b>	<b>369.22</b>	<b>426.70</b>
<b>CREDIT FOR FRUIT @ \$61.60*</b>			<b>184.80</b>	<b>338.80</b>	<b>492.80</b>
<b>NET TOTAL CURRENT COSTS</b>	<b>463.18</b>	<b>253.79</b>	<b>137.87</b>	<b>30.42</b>	<b>+66.10</b>
<b>ACCUMULATED COST</b>	<b>463.18</b>	<b>716.97</b>	<b>854.84</b>	<b>885.26</b>	<b>-</b>

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\* 1961-65 Five-year average price \$61.60 per ton.

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