



# APPLES

Free-Standing  
Granny Smith



University of California  
Cooperative Extension

TABLE 1

Free-standing Granny Smith Apples  
Establishment Costs  
San Luis Obispo County - 1987

Costs are for a 60 acre orchard planted with 202 trees net per acre, 12' by 16'.  
A sprinkler irrigation system is used.

Skilled labor: \$8.00 /hour  
Field labor: \$6.00 /hour  
Interest Rate: 12.0%

YEAR	-----Costs Per Acre-----			
	1st	2nd	3rd	4th
YIELD: tons per acre	---	---	1	5
<b>PLANTING COSTS:</b>				
Land Preparation (subsoil and disc)	150			
Layout @ \$0.15/tree	30			
Trees: 202 @ \$5.00 (+10 2nd yr +6 3rd yr, +3 4th yr all @\$5.00)	1,010	50	30	15
Tree protection, \$.12 each	24	1		
Planting: 202 @ \$1.35/tree (+10, 2nd yr; + 6, 3rd yr; +3, 4th yr all @ \$1.35)	273	14	8	4
<b>CULTURAL COSTS:</b>				
Training and pruning	78	192	240	330
Gopher Control	15	15	15	15
Cultivation (3X)	30	30	30	30
Hand Hoe: \$0.08/tree	16			
Irrigation:				
1 hr labor per 6 acre set (6 X per yr)	1	1	1	1
Water	53	70	88	105
Pollination			30	30
Herbicide and application		15	15	15
Fertilizer	12	26	38	38
Pest and nutrient sprays			30	54
Application: (Labor, Fuel & Repairs)			33	54
Misc. labor and power	15	15	15	15
<b>TOTAL CULTURAL COSTS</b>	<b>\$1,708</b>	<b>\$429</b>	<b>\$573</b>	<b>\$706</b>
<b>HARVESTING COSTS:</b>				
Picking (\$28/ton)			28	140
Bin rental (\$3/ton)			3	15
Bin liners (\$.50/ton)			1	3
Move bins in & out of orchard (\$2.70/ton)			3	14
Haul (\$20/ton)			20	100
Fork Lift rental (1 month @ \$1000)			17	17
Forklift operation (6 tons per hour)			1	7
<b>TOTAL HARVESTING COSTS</b>			<b>\$72</b>	<b>\$294</b>

YEAR	1st	2nd	3rd	4th
<b>OVERHEAD COSTS:</b>				
County taxes	59	59	59	59
Office and Business Costs	137	34	52	80
<b>TOTAL OVERHEAD COSTS</b>	<b>\$196</b>	<b>\$93</b>	<b>\$111</b>	<b>\$139</b>
<b>TOTAL CASH COSTS</b>	<b>\$1,903</b>	<b>\$522</b>	<b>\$756</b>	<b>\$1,140</b>
<b>ACCUMULATED CASH COSTS</b>	<b>\$1,903</b>	<b>\$2,425</b>	<b>\$3,181</b>	<b>\$4,321</b>
<b>DEPRECIATION:</b>				
*Buildings, equipment, & Irrigation system	176	176	176	176
<b>INTEREST ON INVESTMENT @ 12%:</b>				
*Buildings, equipment, & Irrigation system	173	173	173	173
Land \$3500	420	420	420	420
Interest on accum. cash cost	228	291	382	519
<b>TOTAL INTEREST ON INVESTMENT</b>	<b>\$821</b>	<b>\$884</b>	<b>\$975</b>	<b>\$1,112</b>
<b>TOTAL COST FOR THE YEAR</b>	<b>\$2,901</b>	<b>\$1,582</b>	<b>\$1,906</b>	<b>\$2,427</b>
<b>REVENUE FROM PRODUCTION (\$400/TON)</b>			<b>\$400</b>	<b>\$2,000</b>
<b>NET COST FOR THE YEAR</b>	<b>\$2,901</b>	<b>\$1,582</b>	<b>\$1,506</b>	<b>\$427</b>
<b>NET PROFIT FOR THE YEAR</b>			<b>\$0</b>	<b>\$0</b>
<b>ACCUMULATED NET COST</b>	<b>\$2,901</b>	<b>\$4,483</b>	<b>\$5,989</b>	<b>\$6,417</b>

\* Refer to Equipment and Building List (TABLE 3) for details.

**TABLE 2**  
**SAMPLE COSTS TO PRODUCE FREE-STANDING GRANNY SMITH APPLES**  
**San Luis Obispo County - 1987**

Costs are on a per acre basis. 60 acre orchard with 202 trees /acre. Sprinkler Irrigation system.

Skilled labor: \$8.00 /hour  
 Field labor: \$6.00 /hour

Interest Rate: 12.0%  
 Yield (tons/acre): 25

Operation	Labor Hours /Acre	Cash and Labor Costs per Acre				Total Cost	Your Cost
		Labor	Fuel & Repairs	-----Materials----- Kind and Quantity	Cost		
<b>Pre-harvest Costs:</b>							
Prune & sucker	44	\$272		40 hrs. field, 4 hrs. sup.		\$272	
Brush disposal	3	18	\$ .67			19	
Fertilizer	1	8	3.20	100 lbs/acre N @ \$.32/lb	\$32	43	
Hand Thinning	53	324				324	
Pest & nutrient spray	2.5	20	29.45	Materials	54	103	
Irrigation	.17	1		30 acre inches	105	106	
Cultivation 3X	1.5	12	18.90			31	
Pollination				1.5 hives	30	30	
Weed control	.5	4	.84	Materials	10	15	
Gopher control		7	7.00	Bait	1	15	
Misc.	1	6	7.00			13	
<b>TOTAL CULTURAL COSTS</b>		<b>\$672</b>	<b>\$67</b>		<b>\$232</b>	<b>\$971</b>	
<b>Harvest costs:</b>							
Picking			\$28.00 per ton			\$700	
Bin rental			\$3.00 per ton			75	
Bin liners			\$.50 per ton			13	
Move bins in & out of orchard			\$2.70 per ton			68	
Haul			\$20.00 per ton			500	
Forklift rental - 1 month			\$16.66 per acre per month			17	
Forklift operation labor			6 tons per hour			33	
<b>TOTAL HARVEST COSTS</b>						<b>\$1,405</b>	
<b>Cash overhead:</b>							
Office and business costs						\$190	
County Taxes						82	
Interest on operating capital @ 12% for 6 months						58	
<b>TOTAL CASH OVERHEAD COSTS</b>						<b>\$330</b>	
<b>TOTAL CASH COSTS</b>						<b>\$2,706</b>	
<b>TOTAL CASH COST/TON - 25 TONS/ACRE</b>						<b>\$108</b>	
<b>Investment:</b>							
		New Cost Per Acre	-----Annual Cost-----				
Land		3,500	Depreciation	Interest @ 12%	\$420	\$420	
*Equipment & buildings		578	\$61	35		95	
*Irrigation & well		2,310	116	139		254	
*Trees (25 years )		6,417	257	385		642	
<b>TOTAL INVESTMENT COSTS</b>		<b>\$12,805</b>	<b>\$433</b>		<b>\$978</b>	<b>\$1,411</b>	
<b>TOTAL COSTS PER ACRE</b>						<b>\$4,117</b>	
<b>TOTAL COST PER TON:</b>	tons/acre					<b>\$165</b>	

\* Refer to Establishment Study (TABLE 1) and Equipment and Building List (TABLE 3) for details.







