

UNIVERSITY OF CALIFORNIA
AGRICULTURAL EXTENSION SERVICE
STANISLAUS COUNTY - 1964

SAMPLE COSTS TO PRODUCE APRICOTS IN STANISLAUS COUNTY IN 1963

BY
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What This Study Is

These compilations of costs of producing apricots in Stanislaus County are sample costs. These costs cover typical sets of conditions as to the size of business and includes the operations of 9 farmers with varying acreages, yields, costs and methods.

Basis of Cost Calculations

Certain assumptions must be made as to size of orchard and yield per acre. The average size of orchard of these growers was 23 bearing acres. Yield is figured at 8.7 tons per acre which was the average of the cooperating growers in this study. This represents the marketable fruit sold.

Man labor is figured at varying rates per hour depending on the work performed. Cost of tractor operation was based on a 40 H.P. tractor at \$1.25 per hour cash cost, 70¢ per hour for depreciation and 25¢ per hour interest on the investment.

Certain work such as pruning, thinning and harvesting are generally on a piecework basis. Brush disposal is included as a tillage operation except for large limbs.

It should be pointed out that no allowance is made for management cost. Growers, generally, must receive more than the total cost of production per ton for their fruit, excluding management, to make a living.

What This Study Is Not

The results of this study is not the average cost of producing apricots in Stanislaus County. Such a cost would have to involve all growers in the county. A county average cost would not serve to assist a grower who desires to improve his operation cost-wise.

How These Sample Costs May Be Helpful To You

It is suggested that you set up a similar set of costs for your operation opposite the various costs listed here. As a result, you can compare your costs with these as a guide. In operations where your costs per ton exceed those of the study, there may be adjustments that you can make to reduce your costs. Should your yield per acre be less with correspondingly higher costs, look for places in your operation that influence tonnage such as pruning, fertilization, irrigation procedure, bearing surface, thinning practice, and tree stand. The real purpose of this study is to help you analyze your operation and improve it by comparing it with a sample cost.

Some of the major factors where management should be of real influence are plotted on individual pages. These show the variations involved and some indications for managers.

SAMPLE COST OF PRODUCING APRICOTS IN STANISLAUS COUNTY - 1963

An average of 9 growers farming 207 acres with an
average yield of 8.7 tons per acre

M = Man Hours; T = Tractor Hours

Assume 75 trees

Vernon Patterson, Farm Advisor

Norman Ross, Farm Advisor

PRE-HARVEST CASH COSTS:

	Per Acre	Per Ton
Pruning	58.20	\$ 6.69 *
Brush disposal - large limbs: .8 M & T	2.28	.26
Fertilizer application: 2.4 M & 1.2 T	5.34	.61
Fertilizer	18.01	2.07 *
Cover crop seed	3.00	.34
Spray materials	25.49	2.93 *
Spray applications: 3 applications - 1050 gals/yr. @ .015/gal.	15.75	1.81
Tillage and irrigation preparation: 4 M & T	11.60	1.33
Irrigate: 4 M	5.00	.57
Water - district tax	8.00	.92
Thinning	35.93	4.13 *
Miscellaneous labor: 4 M & 1 T	7.65	.88
Miscellaneous material	4.00	.46
County taxes	27.75	3.19
Office, car, interest on operating cap., etc. (5% cash costs)	24.22	2.78
Repairs, except tractor	10.00	1.15
Total Pre-Harvest Costs	\$ 262.22	\$ 30.14

*47 hrs \$
78 / tree
= 40 min/tree*

HARVESTING COSTS:

Picking and supervision	221.33	25.44 *
Haul out and place boxes	17.40	2.00
Miscellaneous harvest cost: 4 M & 1 T	7.65	.88
Total Harvest Costs	\$ 246.38	\$ 28.32

177 hrs

20.35

DEPRECIATION COSTS:

Trees: original cost \$769.87 - 20 yr. life	38.49	4.42
Irrigation facilities: \$100 cost - 25 yr. life	4.00	.46
Buildings: on \$120 cost	4.80	.55
Equipment, except tractor \$260/A investment	26.00	2.99
Tractor: @ .70 per hour	6.30	.72
Total Depreciation Costs	\$ 79.59	\$ 9.15

INTEREST ON INVESTMENT @ 6%:

Trees: on 1/2 cost (\$384.94)	19.25	2.21
Irrigation facilities: on 1/2 cost (\$50)	3.00	.34
Buildings: on 1/2 cost (\$60)	3.60	.41
Equipment, except tractor: on 1/2 cost (\$130)	7.80	.90
Tractor: @ .25 per hour	2.25	.26
Land: @ \$1500/A	90.00	10.34
Total Interest on Investment	\$ 125.90	\$ 14.47

TOTAL COST OF PRODUCTION

\$ 714.09 \$ 82.08

* See details of these average figures on following charts

Apricot yields were highly variable in 1963 due to severe bud drop before bloom. Some orchards were hardly worth harvesting while others had full crops.

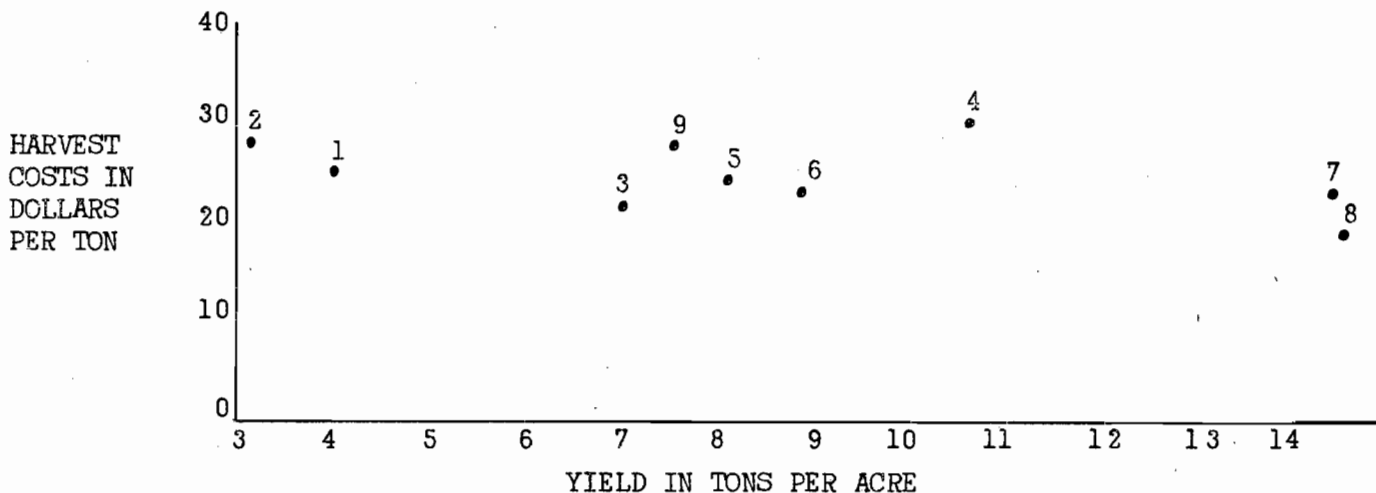
The following charts show the wide variations in costs and yields which make up the average figures shown in the study. The records of these nine growers cannot be expected to cover all the yield and cost possibilities of the county apricot industry.

The comments under each chart may not be exact. One operation has its effect on another. Without knowing the specific details of each orchard, an analysis of this sort is risky. There are, however, certain implications for alert managers.

Cost per acre for performance of certain operations such as pruning or thinning, may not be an accurate determination. If additional costs bring proportionate yield increases, the costs may be justifiable.

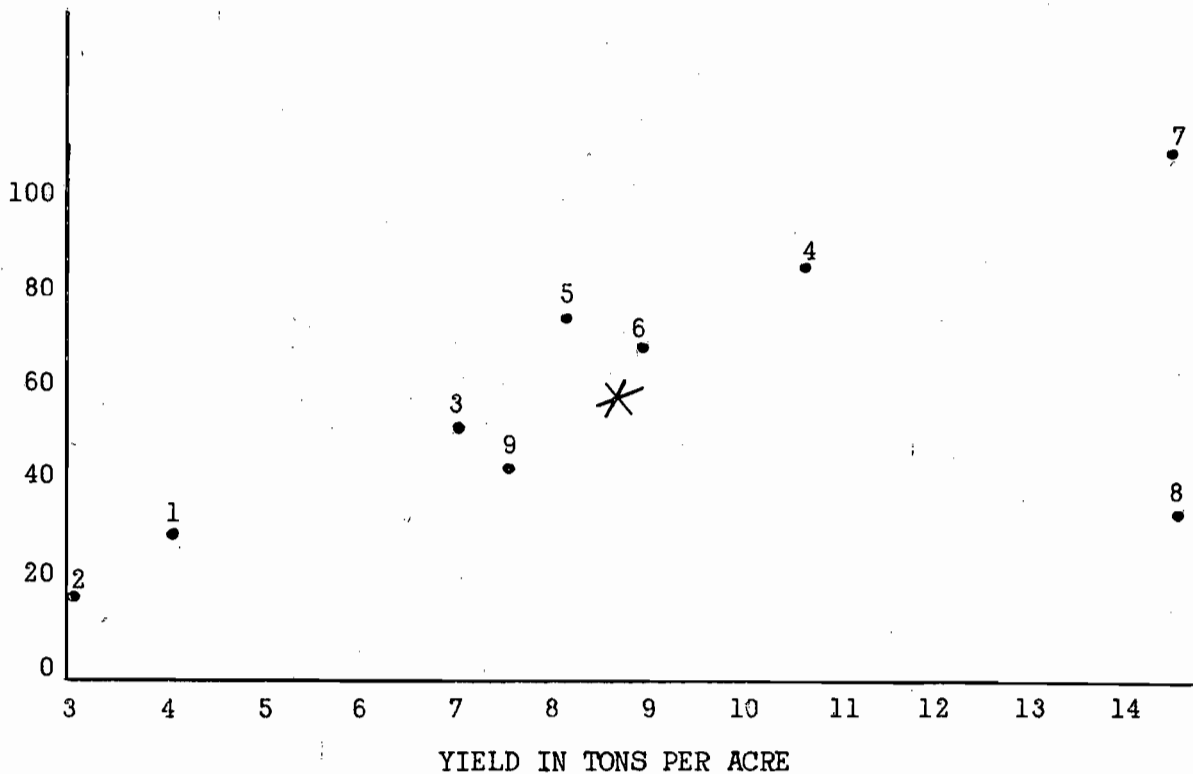
Apricots are sold by the ton. Cost figures should be considered on a per ton basis. The range of costs for a given operation should be fairly narrow on a per ton basis.

Each grower is indicated by a number. This will enable you to compare his per acre and per ton cost item by item with that of other growers in the study. To get the most from this study, plot your own costs on these charts.



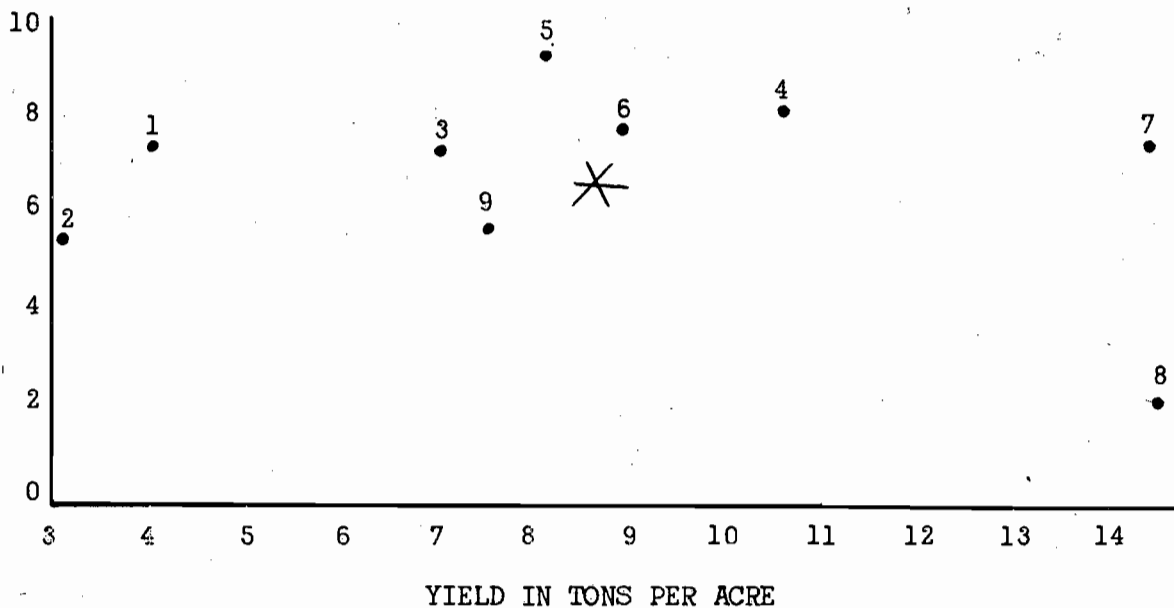
Apricots are picked on a piecework basis. The costs per ton should be in a narrow range and decrease somewhat as yields increase.

APRICOT
PRUNING
COSTS IN
DOLLARS
PER ACRE

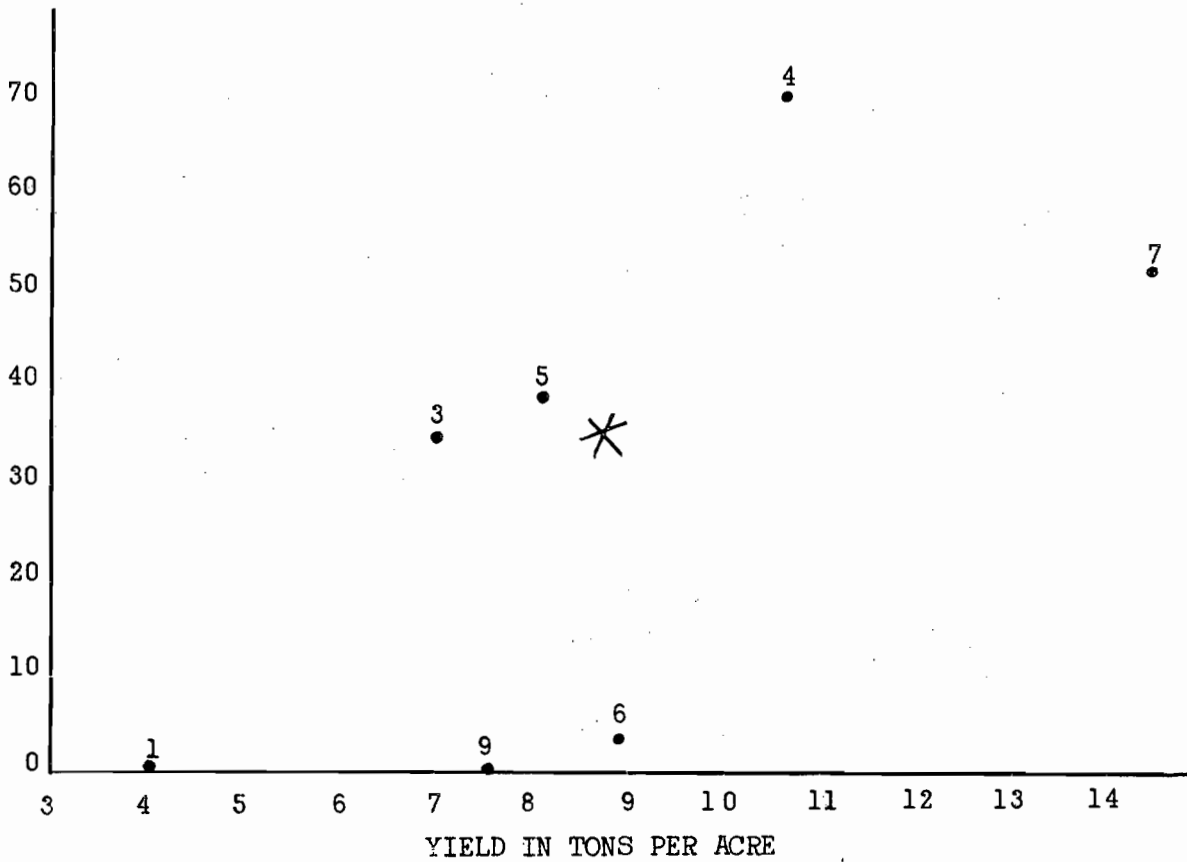


The general indication is that by increasing the pruning, yield is increased. Grower No. 8 either destroys this thesis or had unusual conditions.

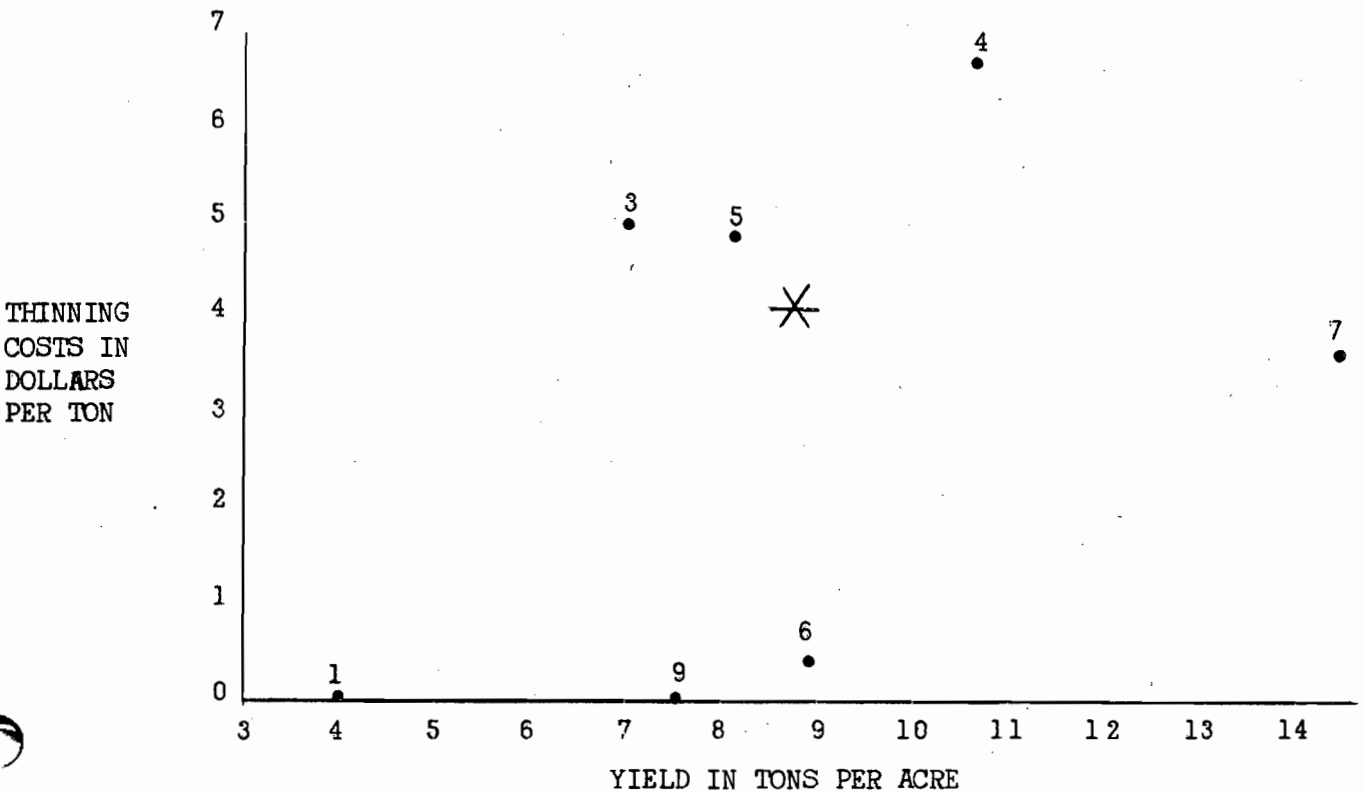
PRUNING
COSTS IN
DOLLARS
PER TON



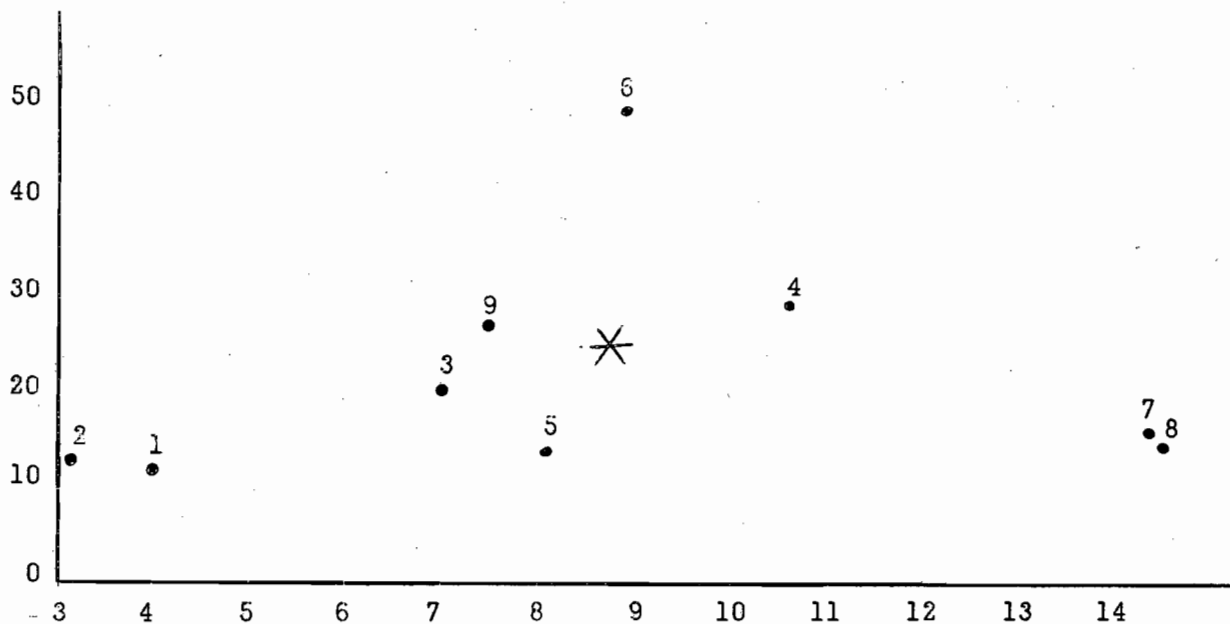
If No. 8 is not considered, higher per acre costs are justified. More records are needed for proper evaluation.



Fruit sets were highly variable in 1963. It is not possible to evaluate these costs. Why did No. 6 even bother to thin?



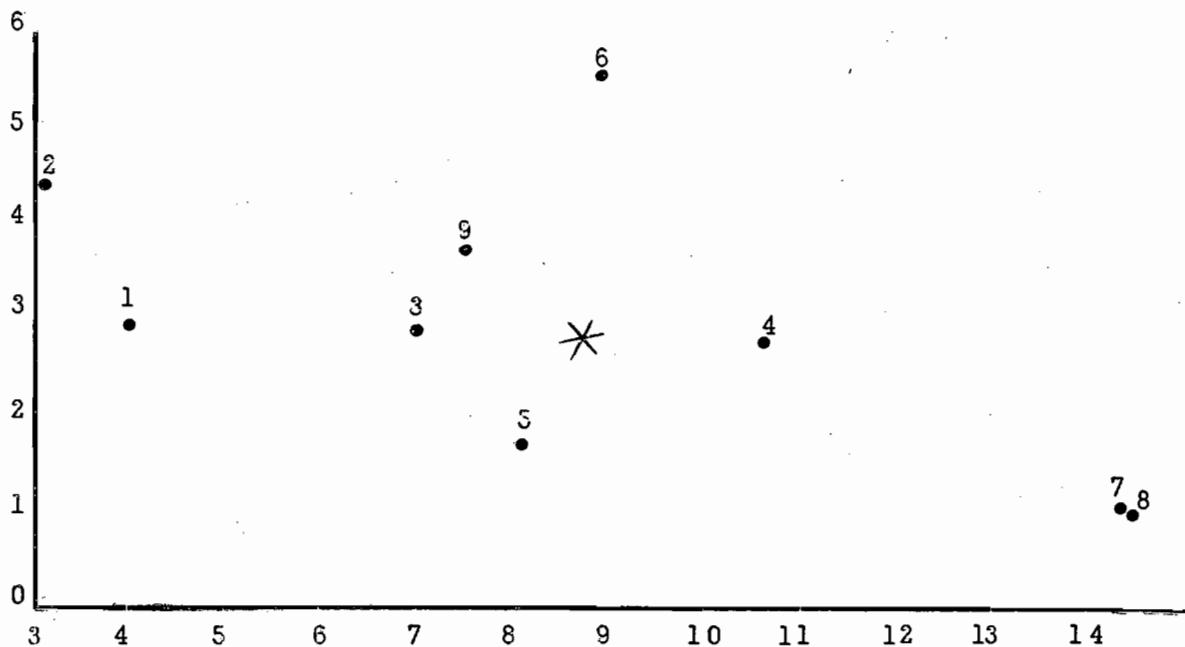
APRICOT
SPRAY
MATERIAL
COSTS IN
DOLLARS
PER ACRE



YIELD IN TONS PER ACRE

Pest and disease control measures can vary from year to year. No. 6 is too high.

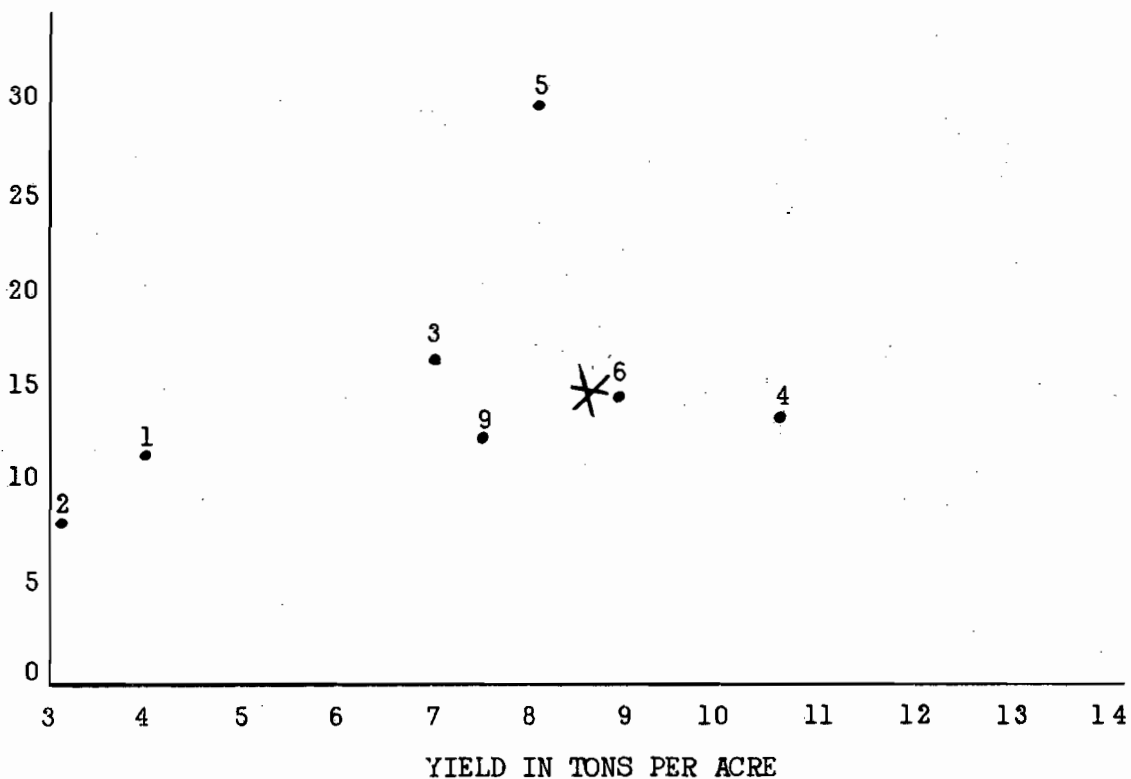
SPRAY
MATERIAL
COSTS IN
DOLLARS
PER TON



YIELD IN TONS PER ACRE

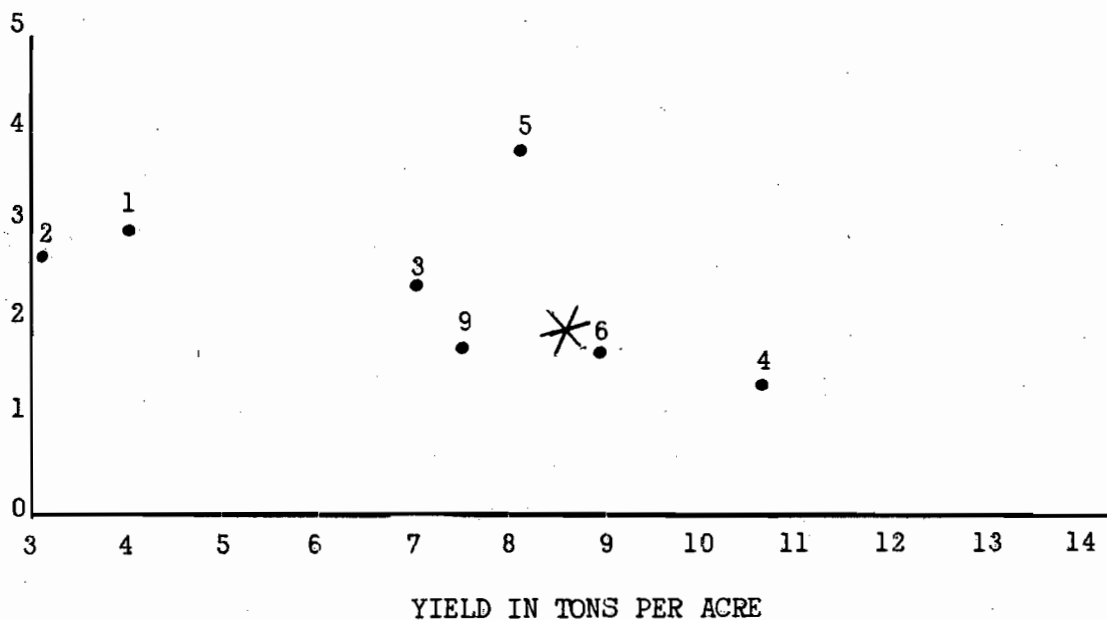
The low per ton costs of Nos. 7 and 8 are due to both high production and very careful management. Spraying should be based on need and this may be their practice.

APRICOT
FERTILIZER
COSTS IN
DOLLARS
PER ACRE



Once the fertilizer requirements are met, additional amounts are not beneficial. This is true of both amounts and price.

FERTILIZER
COSTS IN
DOLLARS
PER TON



Number 5 should look into this cost. Fertilizer is apparently a fixed cost item and is best reduced on a per ton basis by other management practices.

SAMPLE COSTS TO ESTABLISH AN APRICOT ORCHARD - WESTSIDE STANISLAUS COUNTY - 1964

M = Man Hours; T = Tractor Hours

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Norman Ross, Farm Advisor

PRE-HARVEST CASH COSTS:

	1st Yr.	2nd Yr.	3rd Yr.
Land prep., subsoil, disc, harrow, plane, etc.	\$ 50.00	\$ -----	\$ -----
Layout and plant at 20¢ per tree at 75 trees/acre	15.00	1.00	1.00
Trees: 75 @ 85¢	63.75	1.70	.85
Irrigation	15.00	15.00	15.00
Water cost	8.00	8.00	8.00
Tillage, irrig. prep. and hoe 4.8 M & T	15.00	12.00	12.00
Fertilizer application	3.00	4.00	4.00
Fertilizer material	2.50	5.00	7.50
Spray application	3.50	4.50	7.50
Spray material	3.00	5.00	10.00
Cover crop seed	3.00	3.00	3.00
Pruning and brush disposal	4.00	6.00	12.00
Miscellaneous labor and material	2.50	5.00	9.00
County taxes	16.25	16.25	16.25
Office, car, interest on operating capital, etc.	10.58	4.72	7.36
Repairs, except tractor	7.00	8.00	8.00

Total Pre-Harvest Cash Costs	\$ 222.08	\$ 99.17	\$ 121.46
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Total Harvesting Costs (Including supervision 1½ T @ \$22/T)		-----	\$ 33.00
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Total Cash and Harvesting Costs	\$ 222.08	\$ 99.17	\$ 154.46
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DEPRECIATION COSTS:

Irrigation facilities (\$100 cost) 25 yr. life	4.00	4.00	4.00
Buildings and equipment	10.00	10.00	10.00
Tractor @ .70¢ per hour	5.60	5.60	5.60

Total Depreciation Costs	\$ 19.60	\$ 19.60	19.60
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INTEREST ON INVESTMENT @ 6%:

Irrigation facilities on ½ cost (50)	3.00	3.00	3.00
Buildings and equipment on ½ cost	5.00	5.00	5.00
Tractor @ .25¢ per hour	2.00	2.00	2.00
Land @ \$1500 per acre	90.00	90.00	90.00
Interest on accumulated costs	-----	20.50	34.86

Total Interest on Investment	\$ 100.00	\$ 120.50	\$ 134.86
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TOTAL COST FOR YEAR	\$ 341.68	\$ 239.27	\$ 308.92
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Credit For Fruit 1½ T @ \$80	-----	-----	\$ 120.00
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Net Cost For Year	\$ 341.68	\$ 239.27	\$ 188.92
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TOTAL ACCUMULATED COST	\$ 341.68	\$ 580.95	\$ 769.87
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