

COOPERATIVE EXTENSION  
University of California

SAMPLE COSTS TO ESTABLISH A VINEYARD FOR WINE GRAPE PRODUCTION

San Luis Obispo and Santa Barbara Counties - 1984

John H. Foott, Farm Advisor and E.A. Yeary, Area Farm Management Specialist

Yield: tons per acre	Costs per acre		
	1st year	2nd year	3rd year 1/2 ton
<b>PRE-HARVEST COSTS:</b>			
Land preparation:			
2-1/2 hrs., labor & tractor	\$ 53.00		
Rip: 1 hr. labor & tractor-custom	200.00		
Fumigation, if needed, \$500-\$900 per ac.			
Rootings: 520 at 50¢ (25, 2nd yr.)	260.00	13.00	
Mark & plant, 25¢ (2nd yr., \$25)	130.00	25.00	
Stakes, 520@ \$1.10, steel 7' stakes		572.00	
End posts, 10 @ \$5		50.00	
Distribute & set stakes & posts: 20¢ & \$3.50		139.00	
Wire: 240 lbs. for 3 wires @ 38¢/lb.		91.00	
String 3 wires & staple		45.00	
Training, 26 hrs. 2nd yr.		182.00	
Training & suckering, 15 hrs. 3rd yr.			105.00
Prune & tie; tying (labor)		56.00	63.00
Rodent, deer & bird control	13.00	13.00	13.00
Irrigate, 7 times, 2 hrs.	17.00	17.00	17.00
Water, 1 acre ft. at \$100 (sprinklers)	100.00	100.00	100.00
Disc or cultivate 10 times - 4 hrs. labor & tractor	85.00	85.00	85.00
Hand work	134.00	67.00	67.00
Pest & disease control: materials and application		40.00	40.00
Misc. labor, materials, machine time	20.00	28.00	34.00
County taxes-estimate	52.00	52.00	52.00
Repairs except tractor	42.00	60.00	73.00
Supervision	18.00	18.00	21.00
Office & business costs	34.00	50.00	20.00
Interest on operating capital at 15%	87.00	128.00	52.00
<b>TOTAL PRE-HARVEST COSTS</b>	<b>\$1245.00</b>	<b>\$1831.00</b>	<b>\$742.00</b>
<b>HARVESTING COSTS:</b>			
Pick: \$100/ton			50.00
Haul: \$25/ton			13.00
Supervision: \$11/acre			11.00
<b>TOTAL HARVESTING COSTS</b>			<b>\$ 74.00</b>
<b>TOTAL CASH COSTS</b>	<b>\$1245.00</b>	<b>\$1831.00</b>	<b>\$816.00</b>
<b>DEPRECIATION</b>			
Irrigation system, \$2,000/16 yrs.	\$ 125.00	\$ 125.00	\$125.00
Buildings & equipment except tractor, \$300/15 yrs.	20.00	20.00	20.00
Tractor, \$3.20/hr.	22.00	14.00	18.00
<b>TOTAL DEPRECIATION</b>	<b>\$ 167.00</b>	<b>\$ 159.00</b>	<b>\$163.00</b>

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# Establish vineyard for winegrape production - 1984

Yield: tons per acre	Cost per acre		
	1st year	2nd year	3rd year 1/2 ton
<b>INTEREST ON INVESTMENTS @ 14%</b>			
Irrigation system, 1/2 cost, \$1000	\$ 140.00	\$ 140.00	\$ 140.00
Buildings & equipment except tractor, 1/2 cost, \$150	21.00	21.00	21.00
Tractor, \$2.25/hr.	16.00	10.00	12.00
Land, \$500	700.00	700.00	700.00
Interest on accumulated costs		320.00	766.00
<b>TOTAL INTEREST ON INVESTMENT</b>	<b>\$ 877.00</b>	<b>\$1191.00</b>	<b>\$1639.00</b>
<b>TOTAL COST FOR THE YEAR</b>	<b>\$2289.00</b>	<b>\$3181.00</b>	<b>\$2618.00</b>
<b>CREDIT FOR FRUIT SALES @ \$500/ton</b>			<b>\$ 250.00</b>
<b>NET COST FOR THE YEAR</b>	<b>\$2289.00</b>	<b>\$3181.00</b>	<b>\$2368.00</b>
<b>TOTAL ACCUMULATED COST</b>	<b>\$2289.00</b>	<b>\$5470.00</b>	<b>\$7838.00</b>

Total labor costs to the grower are equipment operator (\$8.35 per hour) and all other labor (\$7 per hour). Tractor per hour cash costs (\$1290), depreciation (\$3.20) and interest (\$2.25) costs are rounded to the nearest dollar amounts.

COOPERATIVE EXTENSION, UNIVERSITY OF CALIFORNIA

SAMPLE COSTS TO PRODUCE WINE GRAPES

San Luis Obispo and Santa Barbara Counties - 1984

John H. Foott, Farm Advisor and E.A. Yearly, Area Farm Management Specialist

	Sample Costs		My Costs	
	per acre	per ton	per acre	per ton
<b>PRE-HARVEST CASH COSTS:</b>				
Prune & tie: 520 vines @29¢	\$ 151			
Brush disposal: contract	11			
Rodent, deer & bird control	16			
Irrigate 6 times, 2 hrs. labor	14			
Water: 1 ac. ft. @\$100 per ac. ft.	100			
Disc or cultivate 5 times, 2-1/2 hrs. man & tractor	53			
<b>Pest and disease control:</b>				
material	50			
application 4X, 1 hr. man & tractor	21			
insects, diseases, nutrient & spray	60			
application 1/2 hr., man & tractor	11			
Herbicide: \$18 plus 1/3 hr. equipment	25			
Fertilizer & application: 1/4 hr/acre	15			
Frost protection (water)	80			
Misc. labor, power, materials	40			
County taxes	85			
Repairs, except tractor	76			
Supervision	22			
Office & business costs 3%	38			
Interest on operating capital at 15%	98			
<b>TOTAL PRE-HARVEST COSTS</b>	<b>\$ 966</b>	<b>\$ 242</b>		
<b>HARVESTING COSTS:</b>				
Pick: \$80/ton, hand harvest	320			
Haul: \$25/ton	100			
Supervision: \$4/ton	16			
<b>TOTAL HARVESTING COSTS</b>	<b>\$ 436</b>	<b>\$ 109</b>		
<b>TOTAL CASH COSTS</b>	<b>\$1402</b>	<b>\$ 351</b>		
<b>DEPRECIATION:</b>				
Vines \$7838, 30 yrs.	261			
Irrigation system, \$2,000, 16 yrs.	125			
Bldgs. & equip., except tractor, \$300, 15 yrs.	20			
Tractor, 9 hrs., @\$3.20	29			
<b>TOTAL DEPRECIATION</b>	<b>\$ 435</b>	<b>\$ 109</b>		
<b>INTEREST ON INVESTMENTS @ 14%</b>				
Vines: 1/2 cost, \$3919	549			
Irrigation system: 1/2 cost, \$1,000	140			
Bldgs. & equip., except tractor 1/2 cost, \$150	21			
Tractor: 9 hrs. @ \$2.25	20			
Land: \$5000 per acre	700			
<b>TOTAL INTEREST ON INVESTMENT</b>	<b>\$1430</b>	<b>\$ 357</b>		
<b>TOTAL COST OF PRODUCTION</b>	<b>\$3267</b>	<b>\$ 817</b>		

**Total Costs at Varying Yields**

Yield: tons per acre	2	3	4	5	6
Total cost per ton	\$1525	\$1053	\$817	\$675	\$581

Costs are based on yield of 4 tons per acre. Total labor costs to the grower: \$8.35 per hour for equipment operator, \$7 for other labor. Tractor per hours cash costs \$12.90, depreciation \$3.20 and interest \$2.25. Based on 100 acre vineyard.

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