

GR-SJ-59-1
ESTABLISHING A VINEYARD
IN THE SAN JOAQUIN VALLEY

EMPEROR GRAPES

1959

Cost Analysis Work Sheet
Showing Sample Costs

University of California • Agricultural Extension Service

UC Cooperative Extension

EMPEROR GRAPES
Cost of Establishing A Vineyard

Cost Analysis Work Sheet

	COSTS PER ACRE		
	1st Year	2nd Year	3rd Year
Yield - Tons (Fresh)			3.0
PRE-HARVEST CASH COST			
Land prep. - chisel, disc twice, float, etc.	\$ 10.00	\$	\$
Survey and peg - \$5.00; 413 pegs - \$1.57	6.57		
Planting - @ 3 cents, including trimming	12.39	1.00	
Rootings - 413 (+ 10 second year) @ 7.5 cents	30.98	.75	
Stake and set end posts - \$15 + distrib. stakes \$3.00		18.00	
Stakes - 413 - 7 ft. @ 29 cents (treated)		119.77	
End posts - 11 @ \$1.25 (treated)		13.75	
String one wire and staple 2nd year; 2 more in 3rd year		2.75	5.50
Wire - 300 pounds No. 12 @ \$12.00		12.00	24.00
Attaching cross arms and braces			25.00
Cross arms - 3 ft. @ 6 cents, braces @ 1.5 cents + staples and wire			35.00
Training and suckering		35.00	10.00
Prune and tie		2.50	7.50
Rabbit control	5.00	5.00	
Irrigation labor - 8 man-hours	8.40	8.40	8.40
Water - 3½ A. ft. - power and/or irrig. dist. tax	7.00	8.50	10.00
Tillage, irrig. prep. and hoe	15.50	15.50	15.50
Fertilizer application		1.20	1.20
Fertilizer		3.00	5.00
Pest and disease control, application		.75	4.50
Pest and disease control, material		3.00	9.50
Miscellaneous labor and material, including twine	3.00	6.00	6.00
County taxes	7.00	9.00	11.00
Office, car, operating capital, etc.	5.50	13.50	9.00
Repairs except tractor	5.00	5.00	5.00
Total Pre-Harvest Cash Cost	\$116.34	\$284.37	\$192.10
HARVESTING COST			
Pick and haul to packinghouse @ \$14/ton			\$ 42.00
Total Cash and Labor Cost	\$116.34	\$284.37	\$234.10
DEPRECIATION COST			
Irrigation facilities (\$220 cost)	\$ 11.00	\$ 11.00	\$ 11.00
Buildings and equipment except tractor (\$100 cost)	7.50	7.50	7.50
Tractor - @ 41 cents per hour	2.87	3.28	3.69
Total Depreciation Cost	\$ 21.37	\$ 21.78	\$ 22.19
Total Cash and Depreciation Cost	\$137.71	\$306.15	\$256.29
INTEREST ON INVESTMENT @ 6%			
Irrigation facilities - on ½ cost (\$110)	\$ 6.60	\$ 6.60	\$ 6.60
Buildings and equipment except tractor - on ½ cost (\$50)	3.00	3.00	3.00
Tractor @ 19 cents per hour	1.33	1.52	1.71
Land @ \$750.00	45.00	45.00	45.00
Interest on accumulated costs		11.62	34.05
Total Interest on Investment	\$ 55.93	\$ 67.74	\$ 90.36
TOTAL COST FOR YEAR	\$193.64	\$373.89	\$346.65
CREDIT FOR FRUIT @ \$50.00 per ton*			<u>\$150.00</u>
NET COST FOR YEAR	\$193.64	\$373.89	\$196.65
TOTAL ACCUMULATED COST	\$193.64	\$567.53	\$764.18

* Based on 2 tons shipping fruit and 1 ton culls to winery.

Based on Man Labor @ \$1.05 and \$1.30 per hour; Medium Wheel Tractor per hour, Cash Cost \$1.00; Depreciation 41 cents; Interest 19 cents.

ABOUT THIS SHEET

Costs of establishing vineyards can vary widely. This input and cost sheet is mainly for use as a guide to determine what the costs might be to establish a specific vineyard. It is one of four sheets on sample costs to establish vineyards in the San Joaquin Valley which cover the following: Thompson Seedless for raisins or wine, Thompson Seedless for table use, Emperors, and standard wine varieties. The inputs and costs shown on these sheets are not intended to be representative of industry averages.

Most of the data shown on this sheet are self-explanatory. However, the following additional explanation may be helpful.

LAND PREPARATION

Land was assumed to be already leveled for irrigation with such cost included in the land value. Subsoiling and releveling costs would be additional.

ROOTINGS

Cost is based on planting rooted cuttings. Where cuttings are planted directly in the vineyard, the overall cost of rootings, planting and replanting is sometimes less. If resistant root stocks are necessary, the overall cost would probably run \$75 to \$100 more per acre.

IRRIGATION

The irrigation labor and water costs used for these sample costs are based upon a pumping system with pipeline. Labor cost per acre is affected by the number of irrigations, quantity applied, and size of head. Where all the water is from an irrigation district, the overhead investment costs of depreciation and interest on irrigation facilities are normally somewhat lower. Large heads of water in some districts make possible lower labor costs.

PEST AND DISEASE CONTROL

Dusting and spraying costs can vary considerably from year to year due to changes in conditions. Control measures required will also vary between vineyards. The sample costs shown on this sheet are based upon average conditions.

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