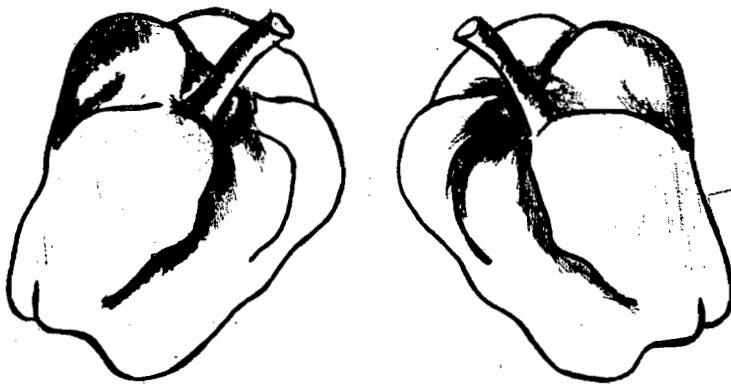


SAMPLE COSTS OF PRODUCTION

FRESH MARKET



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BELL PEPPERS

Agricultural Extension, University of California, Merced County

UC Cooperative Extension

BELL PEPPERS - TRANSPLANTED

Produced on Rented Land

COST ANALYSIS WORK SHEET

Sample costs to produce bell peppers from transplants in Merced County. Costs are based on a yield of 500 cartons weighing 30 lbs. each. Man labor \$3.50 per hour total and equipment operator \$4.00, including all employer contributions and benefits. 80 H.P. Crawler Tractor per hour cash costs \$7.80, depreciation \$4.40 and interest \$2.60. 40 H.P. wheel tractor \$2.10, \$1.90 and 86¢.

	SAMPLE COSTS		MY COSTS	
	Per Acre	Per Carton	Per Acre	Per Carton
Pre-Harvest Cash Costs:				
Disc 2X: 1 hr. man and tracklayer	\$ 11.80			
Landplane 2X: 1 hr. man and tracklayer	11.80			
Chisel: 1 hr. man and tracklayer	11.80			
Disc 1X: 1/2 hr. man and tracklayer	5.90			
Bedding up: 3/4 hr. man and wheel tractor	4.58			
Incorporate herbicide: material and application	9.00			
Transplant:				
Plants: 12,000 purchased \$21.50 per 1,000	258.00			
2 hrs. man and wheel tractor	12.20			
10 man hours	35.00			
2 hrs. water truck and driver	22.00			
Hoe weeds: total 12 hrs.	42.00			
Cultivate 5X: 3/4 hr. per acre per time	22.88			
Fertilizer: total amount	145.00			
Irrigate 20X: 15 hrs. labor	60.00			
Water - paid by land owner				
Pest Control: 4X materials	38.00			
Application (air) \$3.50 per time	14.00			
Rent	200.00			
Repairs, except truck and tractors	22.00			
Misc. labor, equipment and machine time 1 hr. wheel tractor	16.50			
Office & business costs, operating capital, etc.	95.49			
TOTAL PRE-HARVEST CASH COSTS	\$ 1036.95	\$2.07		
Harvesting Costs:				
Total to pick, haul and pack, including carton: \$2.60 carton 3 tons of peppers for processing. All costs except harvest are charged to fresh market production. Harvest costs are \$60.00 ton.	1300.00			
TOTAL HARVESTING COSTS	\$ 1300.00	\$2.60		
TOTAL CASH COSTS	\$ 2336.95	\$4.67		
Depreciation:				
Buildings and equip. - \$150.00-12 yr. life	12.50			
Tracklayer: 3½ hrs. @ \$4.40	15.40			
Wheel tractor: 7½ hrs. @ \$1.90	14.25			
TOTAL DEPRECIATION	\$ 42.15	\$.09		

(continued)

	SAMPLE COSTS		MY COSTS	
	Per Acre	Per Carton	Per Acre	Per Carton
Interest on Investment at 8%:				
Buildings and equipment except tractors: 1/2 cost \$75.00	\$ 6.00			
Tracklayer: 3½ hrs. @ \$2.60	9.10			
Wheel tractor: 7½ hrs. @ 86¢	6.45			
TOTAL INTEREST ON INVESTMENT	\$ 21.55	\$.04		
TOTAL COST OF PRODUCTION	\$ 2400.65	\$ 4.80		

Additional income may be earned from the sale of about 3 tons of peppers per acre for processing. All cultural costs have been charged to the fresh market production, so harvesting is the only remaining cost.

Sample income per acre: 3 tons @ \$125.00	\$375.00
Harvest costs: 3 tons @ \$ 60.00	<u>\$180.00</u>
Net Value	\$195.00

Sample Costs of Production at Varying Yields, with all production costs charged to fresh market peppers.

Yield: 30 lb. Cartons Per Acre	350	400	450	500	550	600
Cash Costs only: Per Carton	\$5.56	\$5.19	\$4.90	\$4.67	\$4.49	\$4.33
Total Costs Per Carton	\$5.74	\$5.35	\$5.04	\$4.80	\$4.60	\$4.43

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