

1973

# LARODA PLUMS FOR FRESH SHIPMENT

Orchard Production Costs  
in the  
Southern San Joaquin Valley

## **Cost Analysis Worksheet Showing Sample Costs**

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**Agricultural Extension University of California**

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COST ANALYSIS WORK SHEET - 1973

Sample costs to produce Laroda plums for fresh shipment in the southern San Joaquin Valley. Costs are for a mature orchard containing 108 trees per planted acre, producing 800 cartons of fruit with approximately 10% of the total crop discarded as culls. Common labor \$2.70 per hour total and equipment operator \$2.95. Wages include Social Security, Workman's Compensation and insurance. Medium wheel tractor per hour cash costs \$1.80, depreciation \$2.00 and interest \$1.00.

Prepared by Edward A. Yearly, Farm Advisor-Statewide

	SAMPLE COSTS		MY COSTS	
	Per Acre	Per Carton	Per Acre	Per Carton
<b>Pre-Harvest Cash Costs:</b>				
Pruning: 108 trees at \$2.00		\$ 216.00		
Brush shredding: contract \$6.50 per acre		6.50		
3 hrs. labor raking brush		8.10		
Fertilize: 125 lbs. N at 15¢		18.75		
½ hour labor and tractor		2.38		
Spray 2 times: materials		35.47		
Application 2¢/gallon, 900 gallons		18.00		
Furrow 3 times: 1½ hrs. labor and tractor		7.13		
Irrigate 8 times: labor 9 hours		24.30		
4 ft. water: power + tax \$8/ac. ft.		32.00		
Disc 5 times: 7½ hrs. labor and tractor		35.63		
Bee rental		15.00		
Thin: 108 trees at \$2.25		243.00		
Taxes		32.00		
Misc. labor, materials, field power, including 4 hrs. labor and 1 tractor hr.		15.85		
Repairs to equipment except tractor		12.00		
Office, insurance, capital, business expenses		75.93		
<b>TOTAL-PRE-HARVEST-CASH COSTS</b>		<b>\$ 798.04</b>	<b>\$ 1.00</b>	
<b>Harvesting Costs:</b>				
Pick: 800 cartons (27 lbs.) at 60¢		\$ 480.00		
Haul: 7¢ per packed carton		56.00		
Misc. 2 hrs. labor and 1 tractor hr.		7.45		
<b>TOTAL HARVESTING COSTS</b>		<b>\$ 543.45</b>	<b>\$ .68</b>	
<b>TOTAL CASH COSTS</b>		<b>\$1341.49</b>	<b>\$1.68</b>	
<b>Depreciation:</b>				
Irrigation system and well: \$300, 20 yr. life		\$ 15.00		
Bldgs. and equip. except tractor \$120, 12 yr. life		10.00		
Tractor: 11½ hrs. at \$2.00		23.00		
Trees: Cost \$1918, 30 yr. life		63.93		
<b>TOTAL DEPRECIATION</b>		<b>\$ 111.93</b>	<b>\$ .14</b>	
<b>Interest on Investment at 8%:</b>				
Irrigation system and well, ½ cost \$150		\$ 12.00		
Bldgs. and equip. except tractor, ½ cost \$60		4.80		
Tractor: 11½ hrs. at \$1.00		11.50		
Trees: ½ cost \$959		76.72		
Land: \$1200		96.00		
<b>TOTAL INTEREST ON INVESTMENT</b>		<b>\$ 201.02</b>	<b>\$ .25</b>	
<b>TOTAL COST OF PRODUCTION</b>		<b>\$1654.44</b>	<b>\$2.07</b>	

SAMPLE COSTS AT VARYING YIELDS

Yield: Tons per acre	Average				Exceptional	
	7	8	10	12	14	16
Total Cost of Production/Ton	\$204.47	\$184.45	\$156.53	\$137.87	\$124.54	\$114.58
Cash Costs/27 lb. Carton	2.39	2.18	1.88	1.68	1.53	1.42
Total Cost/27 lb. Carton	3.06	2.77	2.35	2.07	1.87	1.72
Packed Cartons per acre	467	533	667	800	933	1067

## ABOUT THIS SHEET

This work sheet was developed to show sample costs for a good yielding, mature orchard under southern San Joaquin Valley conditions. Specific years, areas and orchards may have different costs because of the following considerations:

1. Seasonal variations influence fruit set and quality. Consequently, differences in thinning, pest control and cullage will occur.
2. No account is made for partial or complete crop loss.
3. Interest and depreciation costs are based on present costs of establishing an orchard. Present bearing orchards were probably established at lower costs.
4. Costs per 2-layer carton are based on an average net weight of 27 lbs. Net weights vary depending on fruit size and maturity.
5. No allowance is made for cost of management, packing costs or commission charges.
6. Water costs vary in the southern San Joaquin Valley and an average cost is used in this study.

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