

# 1968

GR-NC-68-1

## **IRRIGATED, CANE-PRUNED PREMIUM WINE VARIETIES**

### **VINEYARD ESTABLISHMENT COSTS IN THE NORTH COAST COUNTIES**

It takes about 4 years from the time of planting to bring a vineyard into commercial bearing. Only the first 3 years' development costs are presented in this schedule since income from grapes produced in the fourth year is assumed to more than cover current costs. The data were developed in Mendocino, Napa, and Sonoma Counties for varieties such as Cabernet Sauvignon, Sauvignon blanc, Chardonnay, Gewürztraminer, White Riesling, and Pinot noir.

Cost Analysis Worksheet  
Showing Sample Costs

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**University of California**

**Agricultural Extension Service**

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# COST ANALYSIS WORKSHEET

**CANE-PRUNED, SPRINKLER-IRRIGATED PREMIUM WINE VARIETIES — Sample Costs of Establishing a Vineyard, 1968**

Planted 8 feet by 12 feet, 413 vines per acre

	COST PER ACRE				COST PER ACRE		
	1st Year	2nd Year	3rd Year		1st Year	2nd Year	3rd Year
<b>PREHARVEST CASH AND LABOR COST</b>				<b>DEPRECIATION COST</b>			
Land preparation (on level land)	\$ 15.50	\$	\$	Irrigation facilities — \$240 cost	\$ 15.00	\$ 15.00	\$ 15.00
Lay out and peg vine location	13.00			Building and equipment	15.00	16.00	19.50
Dig holes (power auger)	13.50			Total Depreciation Cost	\$ 30.00	\$ 31.00	\$ 34.50
Rootstocks (certified) — @ 25¢ + heel in and trim, \$2.00	105.25			Total Cash and Depreciation Cost	\$510.44	\$200.68	\$233.06
Stakes (treated) — 2x2, 6 feet @ 27¢	111.51			<b>INTEREST ON INVESTMENT COST @ 6%</b>			
Plant vines and set stakes — 413	40.00			Irrigation facilities — on ½ cost (\$120)	\$ 7.20	\$ 7.20	\$ 7.20
Bud and cover, including rubber ties	80.00			Building and equipment — on ½ cost	6.60	7.05	8.10
Budwood (inspected)	12.00			Land — @ \$1,500	90.00	90.00	90.00
Uncover and prune rootstock		14.00		Interest on accumulated cost	---	36.85	57.36
Cut rubbers and tops, place collars		52.00		Total Interest on Investment	\$103.80	\$141.10	\$162.66
End posts (treated) — 11 @ \$1.25; set @ 40¢			18.15	<b>TOTAL COST FOR YEAR</b>	\$614.24	\$341.78	\$395.72
String 2 wires and staple			10.75	<b>TOTAL ACCUMULATED COST*</b>		\$956.02	\$1351.74
Wire — 200 pounds @ 16¢			32.00				
Prune, tie, train and brush disposal		13.00	13.00	<b>TOTAL INVESTMENT IN VINEYARD</b>		40 Acres	Per Acre
Sulfuring, including sulfur		6.00	7.00	Establish vines — 3 years, no fruit credit	\$ 54,080		\$1352
Spray once for mites, including material			13.00	Well, pump, and portable sprinkler system	9,600		240
Irrigation labor — 2 M-hr	4.00	4.00	4.00	Equipment and equipment building (see production cost sheet for details)	11,400		285
Water — pumping power	5.00	6.00	7.00	Land (value shown for illustration only)	60,000		1500
Cultivation and hand hoe	15.00	15.00	15.00	<b>TOTAL**</b>	\$135,080		\$3377
Misc. labor and material, sucker, retying, rebudding, etc.	8.80	17.60	35.20				
County taxes	27.00	27.00	27.00				
Office, car, and general expenses (5% cash cost)	22.88	8.08	9.46				
Repairs, except field power	7.00	7.00	7.00				
<b>Total Cash and Labor Cost</b>	<b>\$480.44</b>	<b>\$169.68</b>	<b>\$198.56</b>				

Based on a 40-acre vineyard. Man labor @ \$2.00 and \$2.40/hour (includes compensation insurance and Social Security, but no allowance for housing or other benefits). Tractor cash cost/hour @ \$1.30.

\* Any net returns for grapes produced in the third year would reduce the total accumulated cost accordingly. On the other hand, total establishment costs would be higher if income in the fourth year failed to cover that year's costs.

\*\* These establishment costs include a 2-wire trellis. Irrigation costs are based on a portable sprinkler system. Total investment does not include special land preparation and treatment, frost protection facilities or fencing for deer and rabbit control. See notes on back page.

## ABOUT THIS SHEET

This sheet is one of two on sample costs of establishing a wine grape vineyard in the north coast counties. The other is for establishment of an nonirrigated, head-pruned vineyard. Also available are data sheets on wine grape production costs for a mature, head-pruned, nonirrigated vineyard and a mature, cane-pruned, irrigated vineyard. The information is for use as a guide in determining the costs of establishing a specific vineyard. It does not represent industry averages.

**LAND PREPARATION** – Costs shown are based on previously cropped and reasonably level valley land. Clearing, leveling, fumigation, etc. would be additional costs, unless reflected in the land value.

**ROOTSTOCKS AND SCION WOOD** – Plant only rootings and scion wood certified by the California Department of Agriculture. If certified buds are not available, carefully inspect the buds used for freedom from disease.

**TRAINING AND TRELLISING** – Although a one-wire trellis may be sufficient for some varieties, the preferable two-wire trellis for most of such varieties is used in these sample costs.

**FENCING** – Temporary fencing for rabbits may be needed for the first 2 or 3 years of the vineyard. In some locations permanent fencing may be necessary for protection from deer and should be built when the vineyard is planted. Permanent fencing costs for both deer and rabbit control will vary considerably with the individual situation. Some growers have reported costs of 50 to 60 cents per foot of installed fence.

**FROST PROTECTION** – An additional investment of \$500 to \$600 per acre could be expected if a permanent sprinkler system or a wind machine-heater combination for frost protection is provided. Refer to Agricultural Extension publication, *Frost Protection Costs for North Coast Vineyards*, AXT-267, available at the county Farm Advisors' office.

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