

SAMPLE COSTS TO PRODUCE AND DEVELOP CHERRIES  
IN SANTA CLARA COUNTY - 1964

by

David E. Ramos, Farm Advisor  
A. D. Reed, Extension Economist

Sample Costs to Produce Cherries

Based on a 40-acre orchard, trees 26' x 26' - 64 per acre. Labor at \$1.50 per hour including compensation insurance and social security.

Operation	Hours per Acre	Cash and Labor Cost per Acre			
		Labor	Fuel & Repairs	Materials	Total
<u>Cultural Costs</u>					
Prune	5.0	\$ 7.50			\$ 7.50
Brush disposal	1.0	1.50	\$ 1.00		2.50
Cultivation - 8 times	5.5	8.25	7.75		16.00
Spray - 2 times	1.0	1.50	3.60	\$12.00	17.10
Fertilize	.3	.45	.30	70 lb. N @ 12½¢ 8.75	9.50
Irrigate - 4 times, Sprinkler	4.0	6.00	2.00	Power for 20" 12.80	20.80
Miscellaneous	4.0	6.00	2.00	1.50	9.50
<b>Total Cultural</b>	<b>20.8</b>	<b>31.20</b>	<b>16.65</b>	<b>35.05</b>	<b>82.90</b>
<u>Harvest Costs</u>					
Picking 8,000 lb @ 5¢	300.0	400.00			400.00
Hauling	10.0	15.00	6.00		21.00
Supervision	2.0	4.00			4.00
<b>Total Harvest</b>	<b>312.0</b>	<b>419.00</b>	<b>6.00</b>		<b>425.00</b>
<u>Cash Overhead</u>					
Misc., office, etc.					25.70
Taxes					50.00
<b>Total Cash Overhead</b>					<b>75.70</b>
<b>Total Cash Cost</b>					<b>583.60</b>
Management - 5% of 8,000 lbs. @ 15¢					60.00
<u>Annual Cost</u>					
<u>Investment</u>	<u>Per Acre</u>	<u>Depreciation</u>	<u>Interest</u>		
Land	\$3,000		\$180.00		
Trees	1,865 (40 yrs.)	\$ 46.60	55.95		
Irrigation System	175	8.75	5.25		
Buildings	50	2.00	1.50		
Equipment	495	49.50	14.85		
<b>Total Investment</b>	<b>5,585</b>	<b>106.85</b>	<b>257.55</b>		<b>364.40</b>
<b>Total Cost per Acre</b>					<b>1,008.00</b>
<b>Cost per cwt. at 8,000 lbs. yield</b>					<b>12.60</b>

Equipment	Cost New
Tractor W 30	\$3,750
Pickup	2,300
Truck, 2 ton	3,700
Disc 6'	1,000
Sprayer 300 gal.	4,200
Fertilizer Spreader 8'	300
Trailer	1,400
Misc.	3,050
<b>Total</b>	<b>\$19,700</b>
<b>Per Acre (40 acres)</b>	<b>495</b>

Cost per cwt. at Various Yields	
Yield	Cost per cwt.
6,000	\$14.80
7,000	13.50
8,000	12.60
9,000	11.85
10,000	11.30

University of California, Agricultural Extension Service )  
┌ Santa Clara County ─┐  
 2320 Moorpark Avenue, San Jose, California

Co-operative Extension work in Agriculture and Home Economics, College of Agriculture,  
University of California, and United States Department of Agriculture co-operating.  
Distributed in furtherance of the Acts of Congress of May 8, and June 30, 1914.  
George B. Alcorn, Director, California Agricultural Extension Service.

Sample Costs to Develop Cherry Orchards

Based on a 40-acre orchard, trees 26' x 26' - 64 trees per acre.

	Year							
	1	2	3	4	5	6	7	8
Yield - pounds per acre				2,000	3,200	4,600	5,700	6,500
Land preparation	10.00							
Stake, dig, and plant -- 64 @ \$ .25	16.00							
Trees 64 @ \$1.65	105.60							
Total planting costs	131.60							
Prune		3.00	6.00	10.00	10.00	10.00	10.00	10.00
Spray	3.00	4.00	7.00	10.00	15.00	17.00	17.00	17.00
Fertilize			4.00	5.00	6.00	7.00	8.00	9.00
Cultivate	16.00	16.00	16.00	16.00	16.00	16.00	16.00	16.00
Irrigate - sprinkler	7.50	7.50	7.50	7.50	6.00	6.00	6.00	6.00
Power and repairs (175' head)	7.00	7.00	8.50	8.50	10.60	10.60	10.60	12.80
Hoe	3.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Replant		2.00	1.00					
Miscellaneous	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00
Total cultural costs	38.50	43.50	54.00	60.00	67.60	70.60	71.60	74.80
Harvest costs @ \$5.35 cwt.				107.00	171.00	246.00	305.00	348.00
Miscellaneous cash overhead	8.05	3.25	3.45	8.15	12.05	16.80	20.15	21.75
Taxes	40.00	40.00	40.00	45.00	45.00	45.00	45.00	45.00
Total cash overhead costs	48.05	43.25	43.45	53.15	57.05	61.80	65.15	66.75
Management	10.00	10.00	10.00	15.00	24.00	34.50	42.75	48.75
Depreciation	60.25	60.25	60.25	60.25	60.25	60.25	60.25	60.25
Interest	201.60	231.00	254.30	279.60	296.10	307.85	313.25	313.45
Investment cost	261.85	291.25	314.55	339.85	356.35	368.10	373.50	373.70
Total cost per acre	490.00	388.00	422.00	575.00	676.00	781.00	858.00	912.00
Income @ 15¢ per pound				300.00	480.00	690.00	855.00	975.00
Net cost per acre	490.00	388.00	422.00	275.00	196.00	91.00	3.00	-63.00
Accumulated cost		878.00	1,300.00	1,575.00	1,771.00	1,862.00	1,865.00	
Investment - Land	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00	3,000.00
Trees		490.00	878.00	1,300.00	1,575.00	1,771.00	1,862.00	1,865.00
Irrigation system	175.00	175.00	175.00	175.00	175.00	175.00	175.00	175.00
Buildings	50.00	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Equipment	495.00	495.00	495.00	495.00	495.00	495.00	495.00	495.00
Total investment	3,720.00	4,210.00	4,598.00	5,020.00	5,295.00	5,491.00	5,582.00	5,585.00