

1968

VINEYARD ESTABLISHMENT COSTS IN THE SAN JOAQUIN VALLEY

WINE VARIETIES

This cost analysis worksheet considers the highly productive varieties Carignane, Palomino, Mission, Grenache, Alicante Bouschet, and French Colombard; and the moderately productive varieties, such as Ruby Cabernet, Barbera, Tinta Madeira, Emerald Riesling, Rubired, and Royalty.

Cost Analysis Worksheet
Showing Sample Costs

University of California Agricultural Extension Service

AXT-59 Rev.

UC Cooperative Extension

COST ANALYSIS WORKSHEET

Wine Varieties — Cost of Establishing a Vineyard, 1968

Based on an 80-acre unit

	COST PER ACRE		
	1st Year	2nd Year	3rd Year
Yield — varies with variety			**
PREHARVEST CASH AND LABOR COST			
Land preparation — chisel, disc twice, float, etc.	\$ 20.00	\$	\$
Survey and mark — 5 M-hr	8.50		
Planting including trimming @ 4¢	19.20	2.40	
Rootings — 480 (+20, 2nd year) @ 10½¢	50.40	2.10	
Stake and set end posts — @ 5¢ and 27¢		26.97	
Stakes (treated) — 480, 6 ft @ 28½¢		136.80	
End posts (treated) — 11 @ \$1.50		16.50	
String 1 wire and staple *		4.00	
Wire — 100 lb No. 12 @ 10¢		10.00	
Training and suckering — 26 M-hr 2nd year; 3rd year, 7		44.20	11.90
Twine		3.25	1.60
Prune and tie — 3 M-hr 2nd year; 3rd year, 7		5.10	11.90
Rabbit control	7.50	2.50	
Irrigation labor — 5 hr @ \$1.90	9.50	9.50	9.50
Water — 3½ ac-ft, power and/or irrigation district tax	9.00	10.50	12.00
Tillage, irrigation preparation, and hoe — 6 M-hr + 3 Tr-hr 1st year and then 4 M-hr and 3 Tr-hr	14.70	11.30	11.30
Fertilizer (25 lb N, 2nd year; 40 lb N, 3rd year) — @ 14¢ applied		3.50	5.60
Pest and disease control — 3rd year 1.5 M-hr + 1.5 Tr-hr			4.80
Pest and disease control material			10.50
Misc. labor and material — ½ Tr-hr 3rd year	5.00	8.00	10.00
County taxes	18.00	19.00	19.00
Office, car, interest on operating capital, etc.	8.50	16.10	9.90
Repairs, except tractor	6.50	6.50	6.50
Total Preharvest Cash and Labor Cost	\$176.80	\$338.22	\$124.50
HARVESTING COST			
Pick and haul (winery basis) — @ \$14/T and \$21/T	\$	\$	\$ 84.00
Total Cash and Labor Costs	\$176.80	\$338.22	\$208.50

* Cost of adding two more wires with 30-inch crossarm is about \$100 (2nd year).

	COST PER ACRE		
	1st Year	2nd Year	3rd Year
COST — continued			
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 @ \$1.00/hr — (1st and 2nd year, 3; 3rd year, 5)	3.00	3.00	5.00
Total Depreciation Cost	\$ 21.50	\$ 21.50	\$ 23.50
Total Cash and Depreciation Cost	\$198.30	\$359.72	\$232.00
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 @ 36¢/hr (1st and 2nd year, 3; 3rd year, 5)	1.08	1.08	1.80
Land — @ \$900	54.00	54.00	54.00
Interest on accumulated cost		15.78	42.19
Total Interest on Investment	\$ 64.68	\$ 80.46	\$107.59
TOTAL COST FOR YEAR	\$262.98	\$440.18	\$339.59
CREDIT FOR FRUIT ** (varies with variety)			\$240.00
NET COST FOR YEAR	\$262.98	\$440.18	\$ 99.59
TOTAL ACCUMULATED COST	\$262.98	\$703.16	\$802.75
Based on man labor @ \$1.70 and \$1.90 per hour (includes Workmen's Compensation, Social Security, and other benefits); medium-wheel tractor per hour cash cost, \$1.30; depreciation, \$1.00; interest, \$0.36.			

** Yield and Price: high yielding varieties — 6.0 tons @ \$40/ton.
moderate yielding varieties — 4.0 tons @ \$60/ton.

ABOUT THIS SHEET

This sheet is one of a series on sample costs of establishing vineyards in the San Joaquin Valley. They include: Thompson Seedless for Raisins or Wine, Thompson Seedless for Table Use, Emperors, and Wine Varieties. These input and cost data are to be used only as guides in determining the costs of establishing a specific vineyard. They are not intended to represent industry averages.

LAND PREPARATION – The cost of leveling land for irrigation is included in the land value. Subsoiling, fumigation, or releveling costs would be additional.

ROOTINGS – Cost is based on planting rooted cuttings. When cuttings are planted directly in the vineyard, the overall cost of rootings, planting, and replanting is sometimes less. If resistant rootstocks are used, the overall cost probably would be \$150 to \$200 more per acre.

IRRIGATION – Irrigation labor and water sample costs are based on a pumping system with pipeline. Labor cost per acre is affected by the number of irrigations, quantity applied, and size of head. Large heads of water may lower the labor costs. When all the water is from an irrigation district, the investment overhead costs of depreciation and interest on irrigation facilities are normally lower.

PEST AND DISEASE CONTROL – Dusting and spraying costs may vary considerably from year to year. Control measures required also vary between vineyards. The sample costs shown on this sheet are based on average conditions.

Prepared by Farm Advisors Verner Carlson, Merced County; Don Luvisi, Kern County; Paul Baranek, Madera County; Fred Jensen, Tulare County; Curtis Lynn, Fresno County; and Extension Specialists A. N. Kasimatis, Viticulturist, and Burt B. Burlingame, Economist.

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.

Rev. JULY 1968--3M

) UC Cooperative Extension