

COSTS TO PRODUCE WINE GRAPES IN SAN JOAQUIN COUNTY

1983

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COST OF PRODUCTION OF WINE GRAPES

IN SAN JOAQUIN COUNTY

APRIL 1983

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SAMPLE COSTS PRESENTED HERE ARE BASED ON:

I

--An 80-acre wine grape vineyard producing 8 tons per acre. Vines are spaced 7 feet x 11 feet, cordon trained. Wine grape yields vary a great deal according to variety. Some varieties produce over 8 tons per acre and other varieties, less. Yield is the most important factor affecting costs per ton.

II

--Costs vary according to varieties, training methods used, irrigation methods, vine spacing, soil type, cultural problems, etc.

III

--Labor costs based on \$4.20 and \$5.40 per man hour. (Includes Workmen's Compensation, Social Security, Unemployment Insurance, and other benefits, based on 20% of cash wage.) Medium-wheel tractor at \$4.50 per hour cash costs. Office, car, interest on operating capital, etc., based on 12% of all cash costs.

IV

--REMEMBER--These are not average costs but costs based on good cultural practices to produce quality wine grapes. They are not intended to represent industry averages. Costs of production are continually changing due to inflation.

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WHAT ARE YOUR YIELDS?

WHAT ARE YOUR COSTS?

MAKE A COMPARISON!

SAMPLE COSTS TO PRODUCE WINE GRAPES IN SAN JOAQUIN COUNTY - 1983
(Mature vineyard, 8 T/A production, spaced 7' x 11', 566 vines per acre)

	Cost Per Acre	Cost Per Ton	Your Cost
PREHARVEST CASH AND LABOR COSTS:			
Pruning, 24 man(M) and tractor (T) hours	\$ 105.00		
Brush disposal, .4 M and T hrs.	4.00		
Fertilizer, plus application, 60# N @ 25¢	25.00		
Pest & disease control, applied--3.5 M and T hrs.	34.65		
Pest and disease control material*	116.00		
Tillage & irrigation preparation, 3 M and T hrs.	29.70		
Chemical weed control, labor & material, applied	35.00		
Sucker mature vines, 3.5 M hrs.	14.70		
Irrigate, 7 hours	29.40		
Water	32.50		
Miscellaneous labor, 4 hrs., M & T	39.60		
Miscellaneous material, stakes, twine, etc.	50.00		
County taxes	32.00		
Office, car, int. on operating capital, etc., @ 12%	71.10		
Repairs, Irrig. sys. & equipment except tractor	45.00		
TOTAL PREHARVEST CASH AND LABOR COSTS	\$ 663.65		
HARVESTING COSTS:			
Pick and haul @ \$50/T, 8 T/A (contract)	400.00	\$132.96	
TOTAL CASH AND LABOR COSTS	\$1063.65		
DEPRECIATION:			
Vines (trellis), net cost basis, \$6494 - 30 yrs.	216.00		
Irrigation system: Cost \$600 - 20 yrs.	30.00		
Building & equipment: Cost \$600	61.00		
TOTAL DEPRECIATION COST	\$ 307.00		
INTEREST ON INVESTMENT @ 12%			
Vines - On 1/2 cost (\$3247)	390.00		
Irrigation system - On 1/2 cost (\$300)	36.00		
Building and equipment - On 1/2 cost (\$300)	36.00		
Land @ \$5500	660.00		
TOTAL INTEREST ON INVESTMENT	\$1122.00		
TOTAL COST OF PROCUCTION (8-ton yield)	\$2492.65	\$311.58	

YIELD, Tons/A	5	6	7	8	9	10
CASH COSTS	\$183	\$161	\$145	\$133	\$124	\$116
TOTAL COSTS	\$469	\$413	\$349	\$312	\$283	\$260

*See attached supplement for additional pests that may require control.

WINE GRAPE SAMPLE COSTS - PEST AND DISEASE CONTROL

(Supplement)

PROBLEMS INCLUDED IN COST SHEET

	<u>Cost of Material*</u>
Thrips	\$ 12.60
Mildew--8 dustings (15 pounds each) 135 pounds	14.00
Leafhopper and mite--combination spray	45.00
Bunch rot control	<u>38.00</u>
	\$109.60
Sales Tax	<u>6.58</u>
	\$116.18

OTHER PEST AND DISEASE PROBLEMS THAT MAY REQUIRE TREATMENT

	<u>Material Costs/Acre*</u> <u>(Add 6% Sales Tax)</u>
Cutworm (bait)	\$10.60
Willamette mite (early)	7.22
Leafroller and/or Omnivorous leafroller	10.87
Mealybug	12.30
Mildew eradication	24.75
Add additional application costs:	
Duster 10 A/hour	
Sprayer conc. 4 A/hour	
Perennial weed control	47.00

CUSTOM RATES

	<u>Per Acre</u>
Ground dusting	\$ 4.00
Ground spraying	12.00
Airplane dusting--minimum	5.00
Airplane spraying--minimum	8.00

*Costs will vary depending on chemical used.