

LE GRAND NECTARINES
(matures in mid-July)

Cost Analysis Work Sheet

Sample costs to produce Le Grand nectarines in Fresno County for fresh shipment. Costs are for a mature orchard containing 108 trees per planted acre, producing 15½ tons of fruit, with approximately 15% discarded as culls. Man labor \$2.00 per hour total, and equipment operator \$2.20. Medium wheel tractor per hour cash costs \$1.40, depreciation 60¢ and interest 30¢.

	Sample Costs		My Costs	
	Per Acre	Per Ton	Per Acre	Per Ton
PRE-HARVEST CASH COSTS:				
Pruning: 108 trees at 95¢	102.60			
Brush disposal: contract \$6.00 per acre	6.00			
3 man hrs. raking brush	6.00			
Fertilize: 125 lbs. N at 12¢	15.00			
½ hr. man & tractor	1.80			
Spray 3 times: materials	58.26			
application: .175¢ gallon	31.50			
Furrow 3 times: 1½ hrs. man & tractor	5.40			
Irrigate 7 times: labor 13 hrs.	26.00			
3½ ft. water: power & tax \$4 ac. ft.	14.00			
Disc 5 times: 7½ hrs. man & tractor	27.00			
Thin: 108 trees at \$1.10	118.80			
Prop & tie: labor 5 hrs.	10.00			
materials	3.75			
Plant covercrop: 60 lbs. barley	2.40			
½ hr. man & tractor	1.80			
Taxes	28.00			
Misc. labor, materials, field power: includes 4 man hrs. & 1 tractor hr.	11.60			
Repairs to equipment except tractor	8.00			
Office, car, operating capital, insurance, etc.	53.20			
Total Pre-harvest Cash Costs	531.11	34.27		
HARVESTING COSTS:				
Pick: 1200 lubs (22 lbs.) at 30¢	360.00			
Roadside: 14 man hrs. & 7 tractor hrs.	39.20			
Misc. 4 man hrs. & 1 tractor hr.	9.60			
Total Harvesting Costs	408.80	26.37		
TOTAL CASH COSTS	939.91	60.64		
DEPRECIATION:				
Irrigation system & well: \$240 cost 25 yr. life	9.60			
Bldgs. & equip. except tractor: \$120 cost 15 yr. life	8.00			
Tractor: 19 hrs. at 60¢	11.40			
Trees: cost \$1260 including patent, 20 yr. life	63.00			
Total Depreciation	92.00	5.94		
INTEREST ON INVESTMENT AT 7%:				
Irrigation system & well: ½ cost \$120	8.40			
Bldgs. & equip. except tractor: ½ cost \$60	4.20			
Tractor: 19 hrs. at 30¢	5.70			
Trees: ½ cost \$630	44.10			
Land: \$900	63.00			
Total Interest on Investment	125.40	8.09		
TOTAL COST OF PRODUCTION	1157.31	74.67		
300 lbs. culls per ton (15%)	no value			
Net cost of 1700 lbs. merchantable fruit	74.67			
Net cash cost of 22 lbs. merchantable fruit (1 lug)	.78			
Total cost of one 22 lb. lug	.96			

LE GRAND NECTARINE PRODUCTION

Cost Analysis Work Sheet

Marvin Gerdts and E. A. Yeary, Farm Advisors

This work sheet was developed to show sample costs for a rather high yield, mature orchard under Fresno County conditions. These costs will be useful as a guide when a specific orchard planting is under consideration.

When using this work sheet, it is important to consider the following:

1. Seasonal variations in climate influence fruit set and quality. Consequently, differences in thinning, pest control and cullage will occur.
2. These sample costs are based on 10 acre tree fruit operations and larger.
3. No account is taken for partial or complete crop loss due to frost, wind, labor problems, etc.
4. No allowance is made for cost of management.
5. Present bearing Le Grand nectarine orchards were subject to patent fees at planting time. New plantings are not subject to this cost. Most other nectarine varieties are subject to patent fees.
6. Some other varieties including Late Le Grand, Sun Grand, Red Grand, and Early Sun Grand will have production costs fairly similar to Regular Le Grand.

Yield: Tons per acre	<u>Sample Costs at Varying Yields</u>				
	10	12	Average 14	16	Exceptional 18
Total cost of production per ton	102.92	89.52	80.11	73.03	67.48
Cash costs only: for one 22 lb. lug	1.05	.93	.84	.77	.72
Total costs per 22 lb. lug	1.33	1.16	1.04	.94	.89
Packed lugs per acre	773	927	1081	1237	1391

* * * * *

Farm & Home Advisors Office
1720 S. Maple Avenue
Fresno, California 93702

November 9, 1970