

OLALLIE BERRY
PRODUCTION COSTS

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There were 1,070 acres of bearing and first-year bushberries in Santa Cruz County in 1960 according to the Agricultural Commissioner's Report. Of this acreage, Olallies represented 415 acres with Boysenberries second at 225 acres. Loganberries, Raspberries, and Blueberries made up the balance.

The data was developed for Olallie's but applies to Boysenberries with the exception that a 2-wire trellis system may be more common and less expensive than the 3-wire system used in this report. Also, yield is generally lower with Boysenberries.

A 10-acre unit was used to represent a typical bushberry operation in this area although equipment and other overhead costs were charged to 30 acres as most bushberry farms are part of a larger economic unit. This enterprise requires one complete year for development before any fruiting and cash returns. These costs at approximately \$750.00 plus interest were depreciated over the next five fruiting years which was considered a reasonable number of bearing years. Production beyond this time would not have any development costs charged to the operation.

The yield of 14,000 pounds as used in this study is considerably higher than the average yield per acre in this county but is representative of good producing farms. Higher yields would naturally reduce the unit costs of production.

The following costs were computed for the first or development year and the succeeding production years. These costs were based on production for processor. With fresh fruit marketing, the grower has the additional expense of trays, baskets, and clips at about 26¢; brokerage and shipping costs, and additional picking costs of about 1¢ per pound. The fresh market tray holds about 8½ lbs. of fruit and the average fresh market price will compensate for these costs. Hence with production costs as shown for processing berries, the cost per fresh tray would be as follows: berries, 8½ lbs. at 9¢ is 76½¢; baskets and tray, 26¢; additional picking cost, 8½¢ for a total of \$1.11 at the ranch. Shipping and brokerage would be in addition. They vary with distance and market.

SAMPLE FIRST YEAR COSTS FOR OLALLIE BERRIES
Planted 8'x6' - about 900 plants per acre

	Man	Small	Truck	Total Cost per acre	
	labor	Tractor	per acre		
Hours per acre					
Land preparation, operations as needed 40 hp. tractor work hired @ \$5 an hour				30.00	
Planting, by hand as usual in small acreages (or 3 men, machine and tractor 2 hours per A)	20.0	1.0	1.0	28.05 (12.00)	
Cultivate and furrow about 4 times	4.0	4.0		9.00	
Irrigate, furrows 3 times	16.0			20.00	
Spray once, including \$1.00 hour for sprayer	1.5	1.5		4.88	
Hoeing	5.0			6.25	
Building trellis set stakes, put up 3 wires	60.0		3.0	83.40	
Train and wrap canes on trellis	60.0			78.00	
Miscellaneous other work	10.0	1.0	1.0	16.30	
Total labor and field power	176.5	7.5	5.0	275.88	
Pre-fertilization 10 tons manure at \$8 applied				80.00	
Plants 900 at \$80 per thousand				72.00	
Stakes 2"x2" - 7 ft. redwood, treated, 350 at 28¢				98.00	
Wire - 16000 ft. no. 14 galvanized, for 3 wires, at 17.5¢ lb. plus staples				50.00	
Commercial fertilizer for one side dressing				10.00	
Spray materials for 1 application as usually needed				4.00	
Irrigation water, power to pump 1 acre foot 150 ft. head				6.00	
Total material cost				320.00	
Total labor, material, and field power costs				595.88	
General expense - office, car and miscel. - est. at 5% of above				29.79	
County taxes, land and equipment				12.00	
Repairs to equipment not covered in rates above				3.00	
Compensation and other insurance				7.00	
Total cash overhead costs				51.79	
Total cash costs				647.67	
Equipment overhead costs based on 10 acres of berries in 30 acre farming unit	Original Cost	Acres Served	Aver. Value	6% Int.	Depreci- ation
			Dollars per acre		
Irrigation system and pipe	7500	30	125.00	7.50	15.00
Small tractor and truck	6000	30	100.00	6.00	6.70
Tillage equip. and brush chopper	1200	30	20.00	1.20	3.00
Special berry sprayer	1500	10	75.00	4.50	10.00
Miscellaneous small tools and eqt.	600	30	10.00	.60	2.00
Land, agricultural value	---	---	800.00	48.00	---
Total investment and depreciation			1130.00		36.70
Total cash costs and depreciation					684.37
Interest on investment				67.80	67.80
Total all costs for first year-cost of establishing vines					752.17

Labor costs above were figured at \$1.50 an hour for jobs usually done by the operator and \$.25 for hired hand labor. The small wheel tractor was figured at 75 cents an hour and the truck at \$1.80. These rates are cash costs only for fuel, repairs and also license and insurance in case of the truck. Overhead costs of depreciation and interest on investment at 6% are included as shown in the lower part of the above table. Average value is figured at half of the original cost for depreciable items to arrive at average value over the useful life of each item.

SAMPLE INPUTS AND COSTS OF PRODUCING OLALLIE BERRIES
 Bearing Years 2 to 6 with an Average Yield of 14,000 Pounds per Acre

	Man	Small	Truck	Cost per acre	Cost per cwt.
	labor	tractor			
			Hours per acre		
Cultivation 5 times	7.5	7.5		16.88	
Hoeing	3.0			3.75	
Apply fertilizer once	1.0	0.8	0.1	2.28	
Irrigation 5 or 6 times	24.0			30.00	
Training new canes	10.0			12.75	
Spraying 3 times, Sprayer \$1.00 hr.	4.5	4.5		14.63	
Pruning, removing old canes after harvest	40.0			50.50	
Putting up and wrapping new canes	60.0			78.75	
Chopping prunings	1.5	1.5		3.88	
Rewrapping and training, winter	60.0			78.75	
Miscellaneous other work	10.0	1.0	1.0	16.30	
Total cultural labor and field power	221.5	15.3	1.1	308.47	2.20
Picking, 933 15 lb. crates at 45¢	620.0			419.85	3.00
Checking and supervising	30.0			45.00	.32
Loading, hauling and other harvest	15.0		10.0	40.50	.29
Total harvesting cost	665.0		10.0	505.35	3.61
Total labor and field power	886.5	15.3	11.1	813.82	5.81
Irrigation water, power to pump 2 acre feet, 150 foot head				11.60	
Spray materials				40.00	
Dusting by plane including materials				12.00	
Fertilizers, to supply about 100 lbs. of Nitrogen				15.00	
Miscellaneous materials				5.00	
Total material cost				83.60	.60
Total labor material and field power				897.42	6.41
General expense, office, car, etc., estimated at 5% of above				44.87	
County taxes, land and equipment				13.00	
Repairs to equipment not covered above				5.00	
Compensation and other insurance				10.00	
Total cash overhead costs				72.87	.52
Total cash costs				970.29	6.93
Investment overhead costs based on 10 acres of berries in 30 acre farm	Aver. Value	Int: @ 6%	Depre- ciation		
	Dollars per acre				
Vines, Development cost \$750 over 5 years	375.00	22.50	150.00		
Irrigation system and pipe	125.00	7.50	15.00		
Small tractor and truck	100.00	6.00	6.70		
Tillage equipment and brush chopper	20.00	1.20	3.00		
Special berry sprayer	75.00	4.50	10.00		
Miscellaneous small tools and equipment	20.00	1.20	4.00		
Land	800.00	48.00	---		
Total investment and depreciation	1515.00		188.70	188.70	1.35
Total cash and depreciation costs				1158.99	8.28
Interest on investment		90.90		90.90	.65
Total all costs				1249.89	8.93

Labor costs above are figured at \$1.50 an hour for the operator and machine tasks and \$1.25 an hour for hired hand labor except picking. Cash costs per hour were figured at 75¢ for the small tractor and \$1.80 for the truck. These rates cover fuel, repairs, and also license and insurance for the truck. Interest on investment is figured at 6% on the average value shown which is half of the original cost of depreciable items.