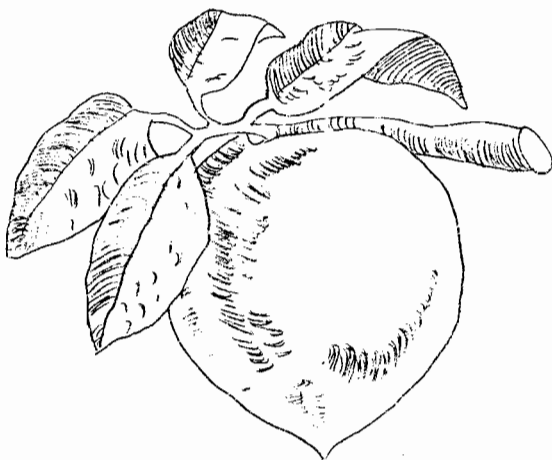


Cling Peach Cost Studies In Stanislaus County - 1960

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SAMPLE COSTS TO PRODUCE CLINGSTONE PEACHES IN STANISLAUS COUNTY - 1960

What This Study Is

These compilations of costs of producing clingstone peaches in Stanislaus County are sample costs. A sample cost covers a typical set of conditions as to the size of business and includes the operations of good farmers doing the things necessary to get good yields. Ten growers meeting together, with varying acreages, yields, costs and methods provided the information presented here.

Basis Of Cost Calculations

Certain assumptions must be made as to size of orchard and yield per acre. The average size of orchard of these growers was 40 bearing acres. Yield is figured at 14.6 tons per acre which was the average of the cooperating growers in this study. This represents 100% of the marketable fruit produced including green drop and cannery diversion. In years of green drop and cannery diversion net yields will be reduced and costs per ton will be higher.

Man labor is figured at varying rates per hour depending on the work performed. Cost of tractor operation was based on a 40 H. P. tractor at \$1.25 per hour cash cost, 70¢ per hour for depreciation and 25¢ per hour interest on the investment.

Certain work such as pruning, thinning and harvesting are figured on a piecework basis. Brush disposal is included as a tillage operation except for large limbs. Repairs for tractor are included in the cash cost per hour of operation. The cost of spray application which includes dusting is figured at the commercial rate when applied by a contract operator.

It should be pointed out that no allowance is made for management cost. Growers, generally, must receive more than the total cost of production per ton for their fruit, excluding management, to make a living.

What This Study Is Not

The results of this study is not the average cost of producing clingstone peaches in Stanislaus County. Such a cost would have to involve all growers in the county. A county average cost would not serve to assist a grower who desires to improve his operation cost wise.

How These Sample Costs May Be Useful To You

It is suggested that you set up a similar set of costs for your operation opposite the various costs listed here. As a result you can compare your costs with these as a guide. In operations where your costs exceed those of the study, there may be adjustments that you can make to reduce your costs. Should your yield per acre be less with correspondingly higher costs, look for places in your operation that influence tonnage such as pruning, fertilization, irrigation procedure, beaking surface, thinning practice, and tree stand. The real purpose of this study is to help you analyze your operation and improve it by comparing it with a sample cost.

SAMPLE COSTS TO PRODUCE CLINGSTONE PEACHES IN STANISLAUS COUNTY - 1960

Note: M = man hours
T = tractor hours

Sample Costs
/Acre /Ton

Pre-Harvest Cash Costs:

Pruning: 108 trees @.65¢	\$ 70.20	
Brush Disposal: Large limbs only	3.00	.15
Cover Crop Seed: Where used	3.00	✓
Fertilizer Application .8 hr. M and T	2.28	10
Fertilizer: 150# N (\$20.00) plus manure (\$4.00)	24.00	✓
Spray: 6 applications - 2,250 gal./yr. @.015¢/gal.	33.75	✓
Spray Materials:	32.70	✓
Tillage & Irrigation Preparation: 5.5 hrs. M and T	15.68	4.50
Irrigate: 6 times - 4 M	5.36	
Water: Irrigation district tax and power	2.50	4.00
Thinning: 108 trees @\$1.12	120.96	
Propping: 6 M and 2 T	11.06	.25
Misc. Labor: 4 M and 1 T	7.65	.25
Misc. Material:	4.00	✓ 75
County Taxes:	27.75	
Office, car, int. on operating cap., etc. (5% cash costs)	28.75	
Repairs except tractor:	10.00	10.00
TOTAL Pre-Harvest Costs	\$ 402.64	\$ 27.58

Harvesting Costs:

Picking & Supervision (incl. grading & hauling) \$11.25/T.	164.25	
Haul Out & Place Boxes - \$2/T.	29.20	
Miscellaneous Harvest Costs: 4 M and 1 T	7.65	
TOTAL Harvest Costs	\$ 201.10	\$ 13.77
TOTAL Cash & Labor Costs	\$ 603.74	41.35

Depreciation Costs:

Trees: Original cost - \$762.50 - 20 yr. life	\$ 38.15	
Irrigation Facilities: \$100 cost - 25 yr. life	4.00	
Buildings: On \$120 cost	4.80	
Equipment except tractor:	27.50	
*(\$10,330 ÷ 40) = \$260/A investment		
Tractor: 10.3 hrs. @.70¢	7.21	
TOTAL Depreciation Costs	\$ 81.66	\$ 5.59
TOTAL Cash & Depreciation Costs	\$ 685.40	\$ 46.94

Interest on Investment: @6%

Trees: on 1/2 cost (\$381.25)	\$ 22.88	
Irrigation Facilities: on 1/2 cost (\$50)	3.00	
Buildings: on 1/2 cost (\$60)	3.60	
Equipment except tractor: on 1/2 cost (\$130)	7.80	
Tractor: 10.3 hrs. @.25	2.58	
Land: @ \$1,000/A.	60.00	
TOTAL Interest on Investment	\$ 99.86	\$ 6.83
TOTAL COST OF PRODUCTION	\$ 785.26	\$ 53.77

Costs Per Ton at Varying Yields

Yield, Tons/Acre	9	12	15	18	21
Total Cost of Production/Acre	72.45	62.24	52.73	46.38	41.85

*Total Equipment Cost For 40 Acre Orchard

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