

# 1970

## VINEYARD ESTABLISHMENT COSTS IN THE SAN JOAQUIN VALLEY

### EMPEROR GRAPES

Cost Analysis Worksheet  
Showing Sample Costs

University of California

Agricultural Extension

AXT-58  
Rev. 7/70

*Cost of Production*  
UC Cooperative Extension

	COST PER ACRE			
	1st Year	2nd Year	3rd Year	4th Year
<b>PREHARVEST CASH AND LABOR COST</b>				
Land preparation – chisel, disc, float, etc.	\$ 20.00	\$	\$	\$
Trim and misc. planting	14.00			
Machine planting @ 4¢	17.16	2.70		
Rootings – 429 (+ 20, 2nd year) @ 14¢	60.06	2.80		
Distribute and set stakes and end posts – @ 5¢ and 30¢		26.90		
Stakes (treated) – 429, 7 feet @ 46¢		197.34		
End posts (treated) – 11 @ \$2		22.00		
String wire and staple – 1, 2nd year; 2 more, 3rd year		4.50	8.00	
Wire (100 pounds, 2nd year; 200 pounds, 3rd year) – @ 10¢		10.00	20.00	
Attaching crossarms and braces – 32 man-hours			60.80	
Crossarms – 3 feet @ 9¢; braces @ 2¢ + staples and tie wire			50.00	
Training and suckering – 34 man-hours, 2nd year; 10 man-hours, 3rd year; 4 man-hours, 4th year		60.04	19.00	7.60
Prune and tie – 2.5 man-hours, 2nd year; 7 man-hours, 3rd year; 14 man-hours, 4th year		4.75	13.30	26.60
Rabbit control	7.50	2.50		
Irrigation labor – 8 man-hours @ \$2.15	17.20	17.20	17.20	17.20
Water – 2½ to 4 acre-feet, power and/or irrigation district tax	17.60	19.25	20.90	22.50
Tillage, irrigation preparation and weed control – 6 man-hours + 4 tractor-hours 1st year; then 4 man-hours and 4 tractor-hours	17.60	13.80	13.80	13.80
Fertilizer (25 pounds N, 2nd year; 40 pounds N, 3rd and 4th years) – @ 14¢ applied		3.50	5.60	5.60
Pest and disease control – 3 man-hours + 3 tractor-hours + contract spray @ \$5			15.35	15.35
Pest and disease control material			21.00	39.00
Opening vines – 10 man-hours				19.00

	COST PER ACRE			
	1st Year	2nd Year	3rd Year	4th Year
<b>PREHARVEST CASH AND LABOR COST — continued</b>				
Misc. labor and material, including tractor	6.00	12.00	12.00	16.00
County taxes	20.00	21.00	23.00	30.00
Office, car, interest on operating capital, etc.	14.40	30.00	21.60	15.50
Repairs – irrigation system and equipment, except tractor	8.50	8.50	8.50	8.50
<b>Total Preharvest Cash and Labor Cost</b>	<b>\$220.02</b>	<b>\$458.78</b>	<b>\$330.05</b>	<b>\$236.65</b>
<b>DEPRECIATION COST</b>				
Irrigation facilities – \$260 cost	\$ 13.00	\$ 13.00	\$ 13.00	\$ 13.00
Buildings and equipment, except tractor – \$100 cost	7.50	7.50	7.50	7.50
Tractor – @ \$1.25/hour (4.5 hours, 1st and 2nd years; 7.5 hours, 3rd and 4th years)	5.63	5.63	9.38	9.38
<b>Total Depreciation Cost</b>	<b>\$ 26.13</b>	<b>\$ 26.13</b>	<b>\$ 29.88</b>	<b>\$ 29.88</b>
<b>Total Cash and Depreciation Cost<sup>1</sup></b>	<b>\$246.15</b>	<b>\$484.91</b>	<b>\$359.93</b>	<b>\$266.53</b>
<b>INTEREST ON INVESTMENT @ 7%</b>				
Irrigation facilities – on ½ cost (\$130)	\$ 9.10	\$ 9.10	\$ 9.10	\$ 9.10
Buildings and equipment, except tractor – on ½ cost (\$50)	3.50	3.50	3.50	3.50
Tractor – @ 60¢/hour (4.5 hours, 1st and 2nd years; 7.5 hours, 3rd and 4th years)	2.70	2.70	4.50	4.50
Land without improvements – @ \$800	56.00	56.00	56.00	56.00
Interest on accumulated cost		22.22	62.71	93.91
<b>Total Interest on Investment</b>	<b>\$ 71.30</b>	<b>\$ 93.52</b>	<b>\$135.81</b>	<b>\$167.01</b>
<b>TOTAL COST FOR YEAR<sup>1</sup></b>	<b>\$317.45</b>	<b>\$578.43</b>	<b>\$495.74</b>	<b>\$433.54</b>
<b>NET CREDIT FOR FRUIT</b>			<b>\$ 50.00</b>	<b>\$100.00</b>
<b>NET COST FOR YEAR</b>	<b>\$317.45</b>	<b>\$578.43</b>	<b>\$445.74</b>	<b>\$333.54</b>
<b>TOTAL ACCUMULATED COST</b>	<b>\$317.45</b>	<b>\$895.88</b>	<b>\$1341.62</b>	<b>\$1675.16</b>
Based on man labor @ \$1.90 and \$2.15 per hour (includes Workmen's Compensation, Social Security, and other benefits); medium-wheel tractor per hour cash cost, \$1.30; depreciation, \$1.25; interest, \$0.60.				

<sup>1</sup> Excludes harvesting cost which is deducted from fruit returns to give a net credit for fruit produced.

## ABOUT THIS SHEET

This sheet is one of a series on sample costs of establishing vineyards in the San Joaquin Valley. The series includes 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 would probably be about \$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.

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