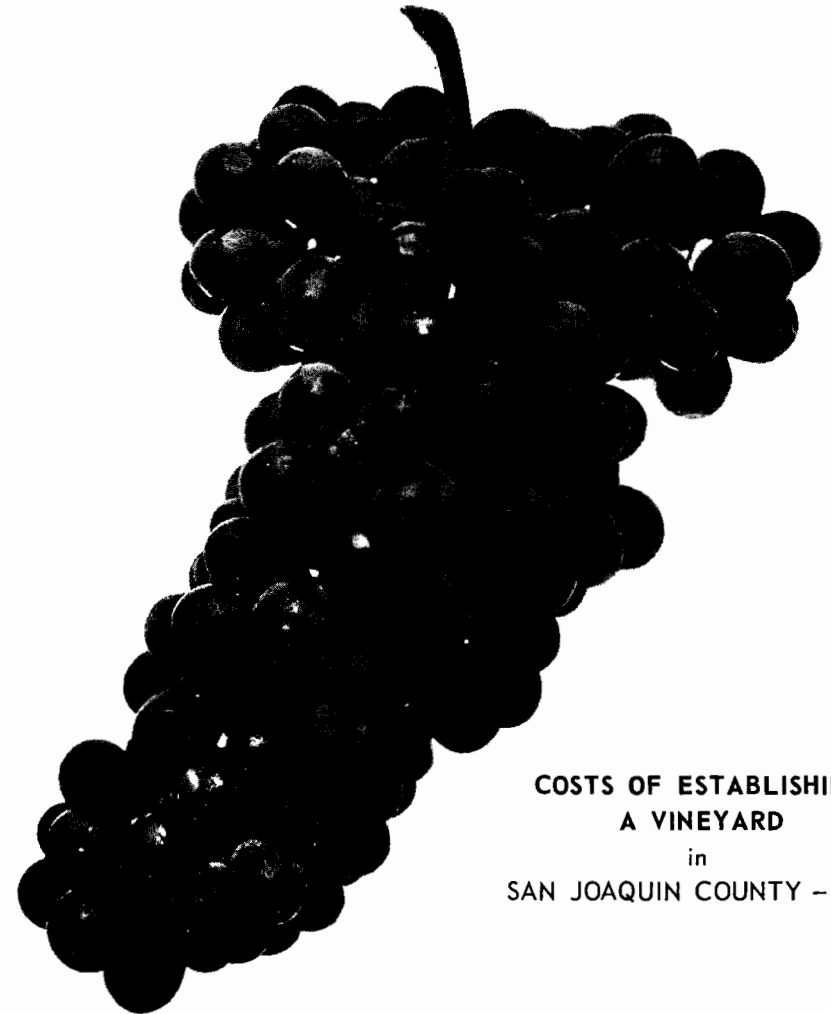


WINE GRAPES



**COSTS OF ESTABLISHING
A VINEYARD**
in
SAN JOAQUIN COUNTY - 1976

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UNIVERSITY OF CALIFORNIA AGRICULTURAL EXTENSION
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COST OF ESTABLISHING A WINE VARIETY VINEYARD
IN
SAN JOAQUIN COUNTY

JANUARY 1976

* * * * *

SAMPLE COSTS PRESENTED HERE ARE BASED ON:

I

--Good cultural practices in developing an 80-acre wine vineyard on resistant rootstocks planted 7 feet by 12 feet, 480 vines per acre. These input and cost data are to be used only as a guide in determining the cost of establishing a specific vineyard. They are not intended to represent industry averages.

II

--Labor costs based on \$3.00 and \$4.20 per man hour. (Includes Workmen's Compensation, Social Security, Unemployment Insurance and other benefits, based on 20 per cent of cash wage.) Medium-wheel tractor at \$1.85 per hour cash costs.

III

--Interest charges of 8% for

Land valued at \$2500 per acre

Original values:	Buildings	\$120 per acre
	Irrigation System	350 per acre
	Equipment	358 per acre

Interest is determined on one-half the original value.

IV

--Depreciation based as follows:

	<u>Investment per Acre</u>
Buildings	\$120.00
Irrigation System	350.00
Equipment	358.00

REMEMBER--These are only sample costs and will vary according to varieties, rootstocks, etc.

SAMPLE COSTS PER ACRE OF ESTABLISHING A WINE VARIETY VINEYARD
IN SAN JOAQUIN COUNTY - JANUARY 1976

	Cost per Acre		
	1st Year	2nd Year	3rd Year
PREHARVEST CASH COSTS:			
Land preparation*--Chisel, disc 2x, float, etc.	\$ 50.00		
Survey and mark--5 man (M) hrs. @ \$4.20	21.00		
Planting, including trimming--16¢ ea.	76.80	\$ 8.00	
Rootstocks (certified)--480 @ 45¢; 50, 2nd year	216.00	22.50	
Set stakes--7¢ each		33.60	
Stakes (treated)-- 7-ft. 480 @ 52¢		249.60	
Deadmen, end-of-row assembly			
11 @ \$2; 11 - 6' stakes @ 44¢		26.84	
Wire--#13 Hi-carbon, 162 lbs. @ 30¢		48.60	
String 2 wires and staple--6 M hrs. + staples		20.20	
Bud and cover--28¢/vine	134.40	15.00	
Budwood (certified)--6¢/bud	28.80	3.00	
Uncover and prune rootstock--10 M hrs; 1.5, 3rd yr.		30.00	\$ 4.50
Cut rubbers and tops--20 M hrs. 2nd year		60.00	
4 M hrs. 3rd year			12.00
Train, sucker and tie--30 M hrs. 2nd year		90.00	
9 M hrs. 3rd year			27.00
Twine		4.50	3.00
Prune and tie--8 M hrs.			24.00
Rabbit control	8.00	3.00	1.50
Irrigation labor--10 M hrs.	30.00	30.00	30.00
Water	13.50	13.50	13.50
Tillage--Irrigation preparation and weed control			
6 M hrs. plus 6 tractor (T) hrs.	36.30	36.30	36.30
Hoe--8 M hrs. 1st yr., 3 M hrs. 2nd & 3rd yrs.	24.00	9.00	9.00
Fertilizer, applied--2nd yr. 30# N., 3rd yr. 60# N		9.80	17.60
Pest and disease control application			6.05
Pest and disease control material			18.95
Miscellaneous labor and material	15.00	18.00	21.00
County taxes	42.00	42.00	42.00
Office, car, interest on operating capital 7½%	53.70	59.51	21.48
Repairs, except tractor	20.00	20.00	20.00
TOTAL CASH AND LABOR COSTS	\$ 769.50	\$ 852.95	\$ 307.88
DEPRECIATION COSTS:			
Irrigation system--\$350 cost	\$ 17.50	\$ 17.50	\$ 17.50
Buildings--\$120 cost	4.00	4.00	4.00
Equipment--\$358 cost	42.12	42.12	42.12
TOTAL DEPRECIATION COSTS	\$ 63.62	\$ 63.62	\$ 63.62
INTEREST ON INVESTMENT @ 8%			
Irrigation system--on 1/2 cost (\$175)	\$ 14.00	\$ 14.00	\$ 14.00
Buildings and equipment--on 1/2 cost (\$239)	19.12	19.12	19.12
Land--@ \$2500	200.00	200.00	200.00
Interest on accumulated costs		85.30	192.00
TOTAL INTEREST ON INVESTMENT	\$ 233.12	\$ 318.42	\$ 425.12
TOTAL COST FOR YEAR	\$1066.24	\$1234.99	\$ 796.62
NET CREDIT FOR FRUIT--3½ tons @ \$75/T (price varies as to variety)			262.50
TOTAL ACCUMULATED COSTS	\$1066.24	\$2400.03	\$2934.15

*Additional land preparation may be necessary; costs vary according to soil problems.
Deep ripping: \$75 to \$150 per acre.
Nematode problem: Preplant fumigation may be necessary--\$200 to \$300 per acre.

SAMPLE INVESTMENT AND DEPRECIATION COSTS FOR AN 80-ACRE WINE VARIETY VINEYARD
IN SAN JOAQUIN COUNTY - JANUARY 1976

	Cost		Life	Annual Depr. 80 A.
	Total	Per Acre		
Land	\$200,000	\$2,500.00	--	--
Vines	178,647	2,233.00	30	\$ 5,955.00
Irrigation system	28,000	350.00	20	1,400.00
Buildings	9,600	120.00	30	320.00
Equipment:				
Wheel tractor, 40 HP Diesel	9,000	112.50	10	900.00
Disc 8' Tandem - wheel lift	2,500	31.25	10	250.00
Ridger	400	5.00	10	40.00
Furrower	200	2.50	10	20.00
Springtooth	400	5.00	10	40.00
Shredder	975	12.19	10	97.50
Duster	870	10.88	10	87.00
Sprayer (Conc. P.T.O.)	5,800	72.50	10	580.00
Field toilet	500	6.25	10	5.00
Pickup truck	5,500	68.75	5	1,100.00
Miscellaneous equipment	2,500	31.25	10	250.00
Equipment Totals	\$ 28,645	\$ 358.06		\$ 3,369.50
TOTAL INVESTMENT	\$444,892	\$5,561.06		
TOTAL DEPRECIATION				\$11,044.50