

SAMPLE COSTS TO ESTABLISH A VINEYARD - WINE GRAPE PRODUCTION
SAN LUIS OBISPO COUNTY - 1973

by

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YIELD: TONS	COSTS PER ACRE		
	1st Year	2nd Year	3rd Year
			2 tons
PRE-HARVEST CASH COSTS			
Land preparation: 2 hrs. man & tractor	\$ 10.78	\$	\$
Rootings: certified 454 @ 35¢; 20 2nd yr	158.90	7.00	
Plant: contract @ 10¢	45.40		
Stakes: 454 @ 45¢		204.30	
End Posts: 11 @ \$2.50		27.50	
Distribute and set stakes & posts @ 10¢, & 35¢		49.25	
Wire: 200 lbs. for 2 wires @ 17¢		34.00	
String 2 wires and staple		14.00	
Training and suckering: 26 man hours 2nd year		77.48	
7 man hours 3rd year			20.86
Prune and tie		8.94	20.86
Tying (labor)		4.47	2.24
Rodent control	5.00	2.50	2.50
Irrigate: 7X @ 2 hours total	5.96	5.96	5.96
Water: 18" to 24" @ \$8/ft	12.00	16.00	16.00
Disc or cultivate 5X: 3 1/2 hrs. man & tractor	18.87	18.87	18.87
Hand work	26.82	14.90	14.90
Pest and disease control: materials			10.00
App: 2X custom @ \$7 + 1/2 hr. man & tractor			9.70
Misc. labor & material, tractor time	5.00	8.00	10.00
County taxes, estimate	10.00	10.00	20.00
Repairs, except tractor	10.00	10.00	12.00
Office, car, operating capital, etc.	18.52	30.79	9.83
Total Pre-harvest Cash Costs	\$ 327.25	\$ 543.96	\$ 173.72
HARVESTING COSTS			
Pick and haul \$32 per ton total			
Pick \$25/ton; haul \$7/ton			64.00
Supervision \$2.50/ton			5.00
Total Harvesting Costs			\$ 69.00
DEPRECIATION			
Irrig system: solid set sprinklers: \$890-16 yrs	\$ 55.63	\$ 55.63	\$ 55.63
Bldgs & vineyard equip exc. tractor \$120-15 yrs	8.00	8.00	8.00
Tractor @ \$1.05 per hour	6.30	4.20	4.73
Total Depreciation	\$ 69.93	\$ 67.83	\$ 68.36
INTEREST ON INVESTMENT 7%			
Irrigation system: 1/2 cost \$445	\$ 31.15	\$ 31.15	\$ 31.15
Bldgs & vineyard equip, exc tractor: 1/2 cost \$60	4.20	4.20	4.20
Tractor @ 53¢	3.18	2.12	2.39
Land: \$1,000	70.00	70.00	70.00
Interest on accumulated costs		35.40	88.23
Total Interest on Investment	\$ 108.53	\$ 142.87	\$ 195.97
TOTAL COST FOR THE YEAR	\$ 505.71	\$ 754.66	\$ 507.05
CREDIT FOR FRUIT SALES (\$380/ton)			\$ 760.00
NET COST FOR THE YEAR (GAIN)	\$ 505.71	\$ 754.66	\$ (252.95)
TOTAL ACCUMULATED COST	\$ 505.71	\$1,260.37	\$1,007.42

UC Cooperative Extension

Costs are based on man labor at \$2.98 per hour total including Social Security, workmen's compensation insurance, and equipment operator at \$3.79. Medium wheel tractor per hour cash costs \$1.60, depreciation \$1.05 and interest 53¢.