



2003 GRAPE PRODUCTION BUDGET
Full Production - Year 4+ ¹
Table Grapes - 1 Acre

ITEM	EXPLANATION	PRICE PER UNIT	YOUR BUDGET
REVENUE			
Grapes ²	6000 lbs.	\$1.39 /lb.	\$8,340
Culled Grapes	2000 lbs.	\$0.50 /lb.	\$1,000
VARIABLE COSTS			
Fertilizer ³		50	50
Lime ³	1 tons	15 /ton	15
Pesticides ⁴			825
Harvesting Costs			
Picking Costs		130.00 /ton	520
Sorting and Packing		100.00 /ton	400
Machinery Costs ⁵			263
Cooling Unit Utility Costs			250
Bird Netting			165
Miscellaneous ⁶			75
Int. on Oper. Cap. ⁷	6 mo.	9.0%	115
TOTAL VARIABLE COSTS	-Per Acre		2678
FIXED COSTS			
Operator Labor Charge ⁸	130 hours	10.00 /hr	1300
Land Charge	Rent		100
Liability Insurance			50
Pickup Truck ⁹	25000	20%	1250
Cooling Unit ¹⁰	8000	20%	1600
Management Charge ¹¹	5% of gross revenue		417
TOTAL FIXED COSTS			4717
TOTAL COSTS	-Per Acre		7395
RETURN OVER VARIABLE COSTS			6662
RETURN OVER TOTAL COSTS			1945

- ¹ Year 4 is the first year of full production. Many vineyards will remain productive through year 20.
- ² Price will vary according quality and market fluctuations.
- ³ Fertilizer and lime should always be applied according to soil tests. Consult OSUE Bulletin 815 "Grapes: Production, Management, and Marketing" for further information. Lime may need to be applied every 3-4 years based on soil types.
- ⁴ Consult OSUE Bulletin 506B2 "Ohio Commercial Small Fruit and Grape Spray Guide" for specific pesticide recommendations.
- ⁵ Costs are based on custom rates:

	Number of Times	Cost per Acre	Total
Mowing	5	\$11	55
Spraying	14	\$7	98
Fertilizer	2	\$5	10
Hauling	5	\$20	100
			<u>263</u>

- ⁶ Miscellaneous costs include soil tests, small tools, supplies, etc...
- ⁷ Interest on operating costs is calculated at 9% interest for 6 months.
- ⁸ Operator labor is the labor that the owner/operating invests into the vineyard. A summary of typical labor operations are listed below:
- Spur pruning and brush pulling
 - Pre-emergent spraying
 - Post-emergent spraying
 - Mowing middle of rows
 - Fertilizer application
 - Shoot positioning
 - Insect and disease control spraying
 - Harvest (not included in hired labor costs)
- ⁹ Pickup Truck is used 1/4 time for vineyard. 20% annual expense rate includes depreciation, interest, insurance, taxes, repairs.
- ¹⁰ Cooling unit expensed at 20% annually which accounts for depreciation, interest, insurance, and repair costs. Cooling unit required for operations needing to hold grapes before sale.
- ¹¹ Management charge is an opportunity cost for the operator's management skills. This is a charge above and beyond labor. Management charge is 5% of gross revenue in full production years.