



**2001 GRAPE PRODUCTION BUDGET**  
**1/2 Production - Year 3 <sup>1</sup>**  
**French Hybrid - 1 Acre**

ITEM	EXPLANATION	PRICE PER UNIT	YOUR BUDGET
<b>REVENUE</b>			
Grapes <sup>2</sup>	2.5 tons	\$950 /ton	\$2,375
<b>VARIABLE COSTS</b>			
Fertilizer <sup>3</sup>		50	50
Lime <sup>3</sup>	0 tons	15 /ton	0
Pesticides <sup>4</sup>			411
Hired labor <sup>5</sup>	78 hours	9.00 /hour	702
Harvesting Costs			
Picking Costs		100.00 /ton	250
Grape Lugs	200 /acre	4.00 /lug	800
Machinery Operating Expense <sup>6</sup>			179
Miscellaneous <sup>7</sup>			75
Int. on Oper. Cap. <sup>8</sup>	6 mo.	9.0%	111
<b>TOTAL VARIABLE COSTS</b>	<b>-Per Acre</b>		<b>2578</b>
<b>FIXED COSTS</b>			
Operator Labor Charge <sup>9</sup>	5 hours	10.00 /hr	50
Land Charge	Rent		100
Liability Insurance			50
Management Charge <sup>10</sup>			100
<b>TOTAL FIXED COSTS</b>			<b>300</b>
<b>TOTAL COSTS</b>	<b>-Per Acre</b>		<b>2878</b>
<b>RETURN OVER TOTAL COSTS</b>			<b>-203</b>
<b>RETURN OVER FIXED COSTS</b>			<b>-503</b>

- <sup>1</sup> Year 3 is the first year of production, however, production is limited to 1/2 of full production.
- <sup>2</sup> Price will vary according quality and market fluctuations.
- <sup>3</sup> Fertilizer and lime should always be applied according to soil tests. Consult OSUE Bulletin 815 "Grapes: Production, Management, and Marketing" for further information
- <sup>4</sup> Consult OSUE Bulletin 506B2 "Ohio Commercial Small Fruit and Grape Spray Guide" for specific pesticide recommendations.
- <sup>5</sup> Hired labor is typically that labor which his hired on an hourly basis. A summary of typical hired labor operations are listed below:
  - Pruning and brush pulling
  - Cordon training/tying
  - Pre-emergent spraying
  - Post-emergent spot spraying
  - Mowing middle rows
  - Fertilizer application
  - Insect and disease control spraying
  - Shoot and cluster thinning
  - Shoot positioning
  - Harvesting (not included in hired labor costs)
- <sup>6</sup> Costs for fuel, lubrication, and repair for machinery. Planting vines and setting up trellis requires extensive use of machinery.
- <sup>7</sup> Miscellaneous costs include soil tests, small tools, supplies, etc...
- <sup>8</sup> Interest on operating costs is calculated at 9% interest for 6 months.
- <sup>9</sup> Operator labor is the labor that the owner/operating invests into the vineyard.
- <sup>10</sup> Management charge is an opportunity cost for the operator's management skills. This is a charge above and beyond labor.