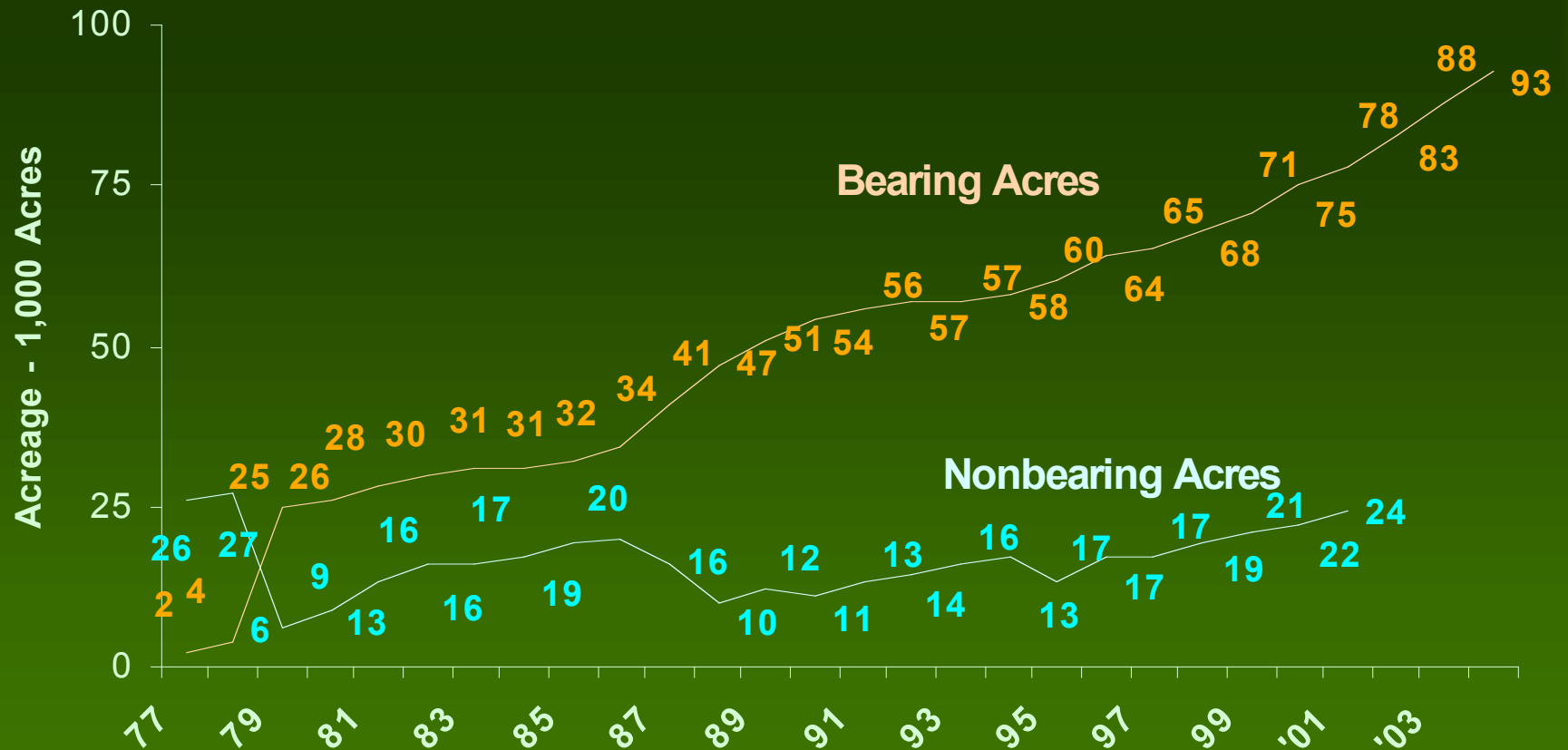


PISTACHIO PRODUCTION COSTS

SAN JOAQUIN VALLEY

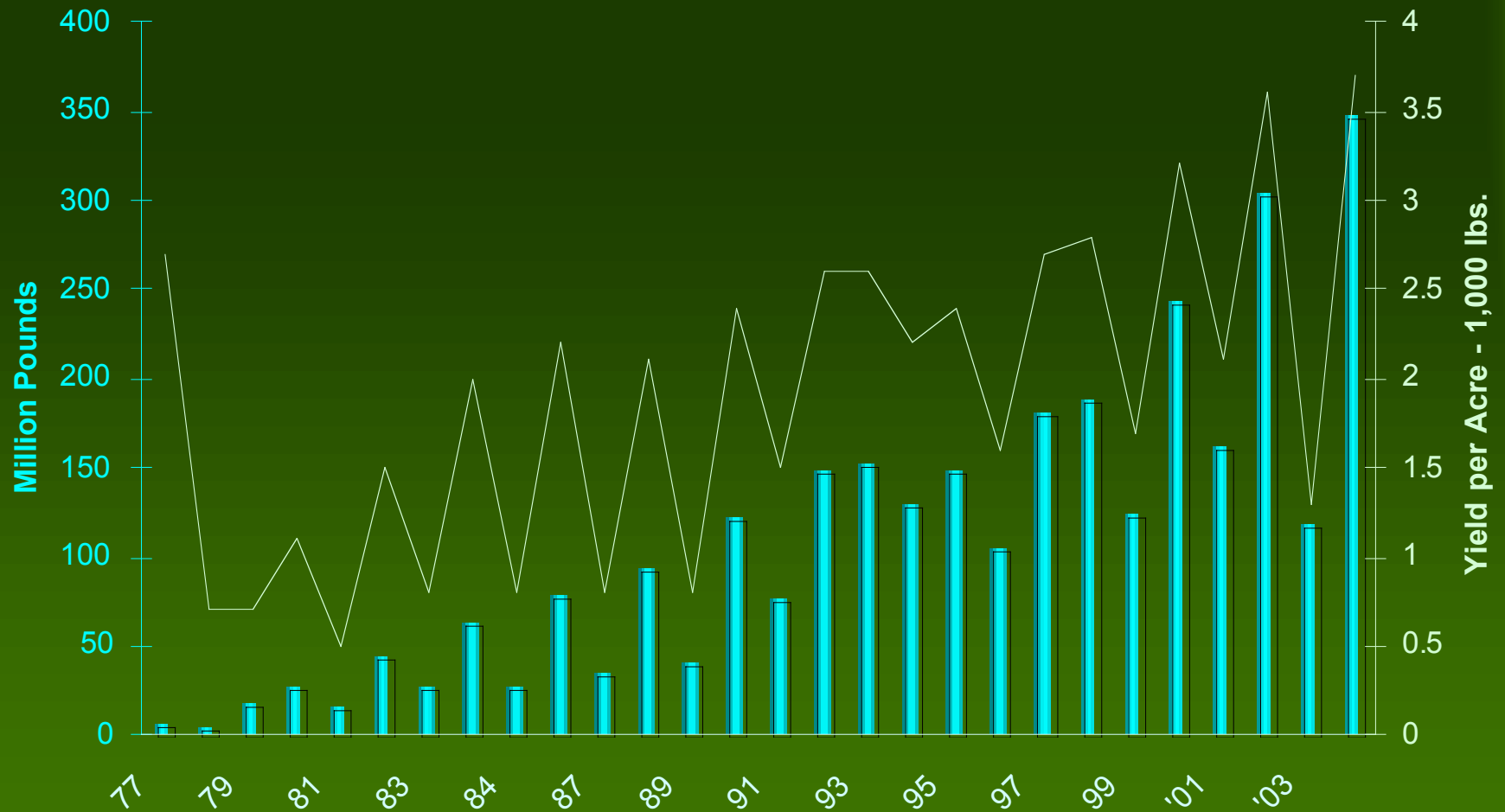
Karen Klonsky
Dept. of Ag. & Resource Economics
University of California, Davis

CA PISTACHIO ACREAGE 1977 - 2004

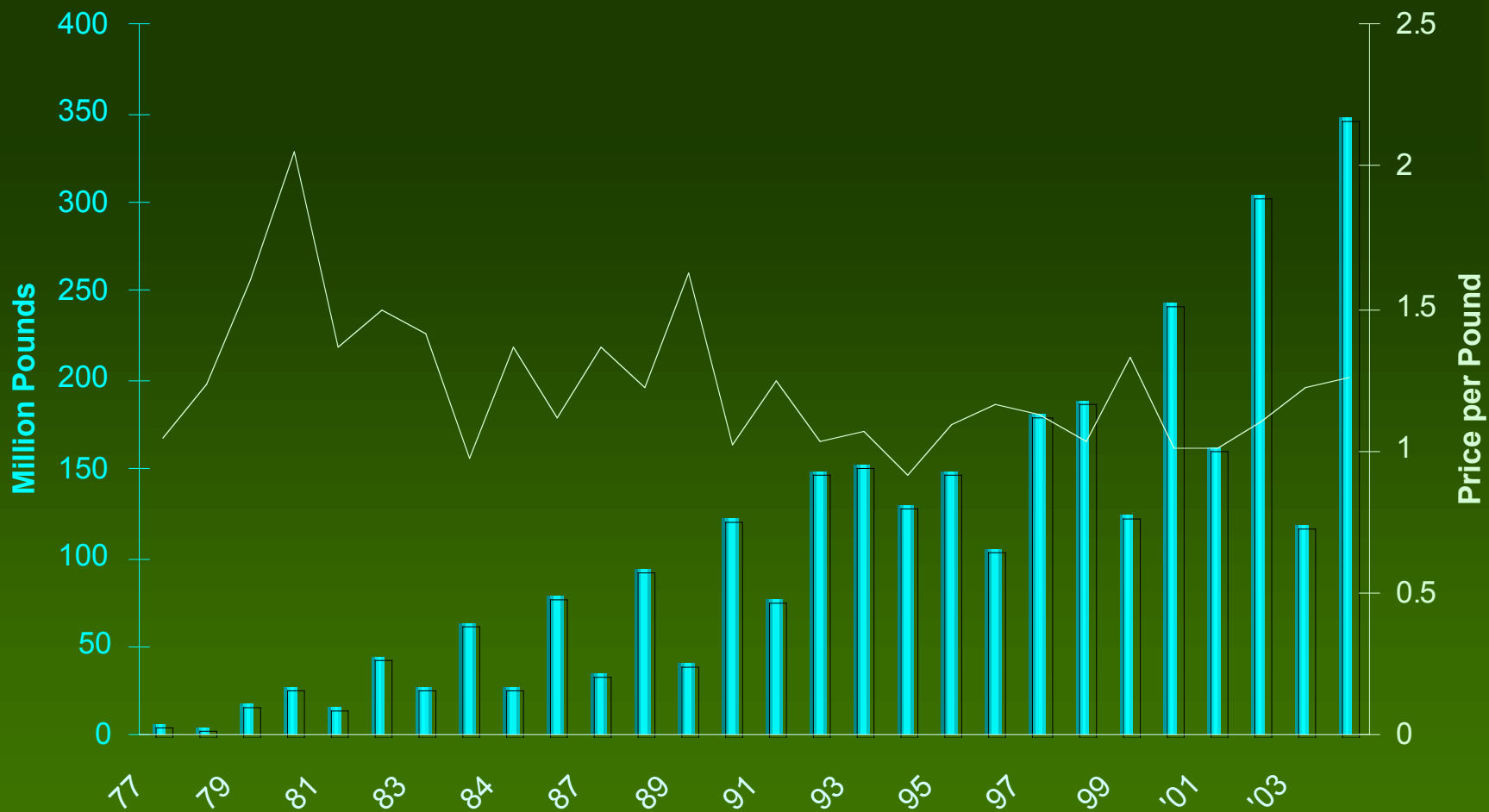


CA PISTACHIO
PERCENT OPEN SHELL
1980 - 2004

CA PISTACHIO PRODUCTION AND YIELD 1977 - 2004



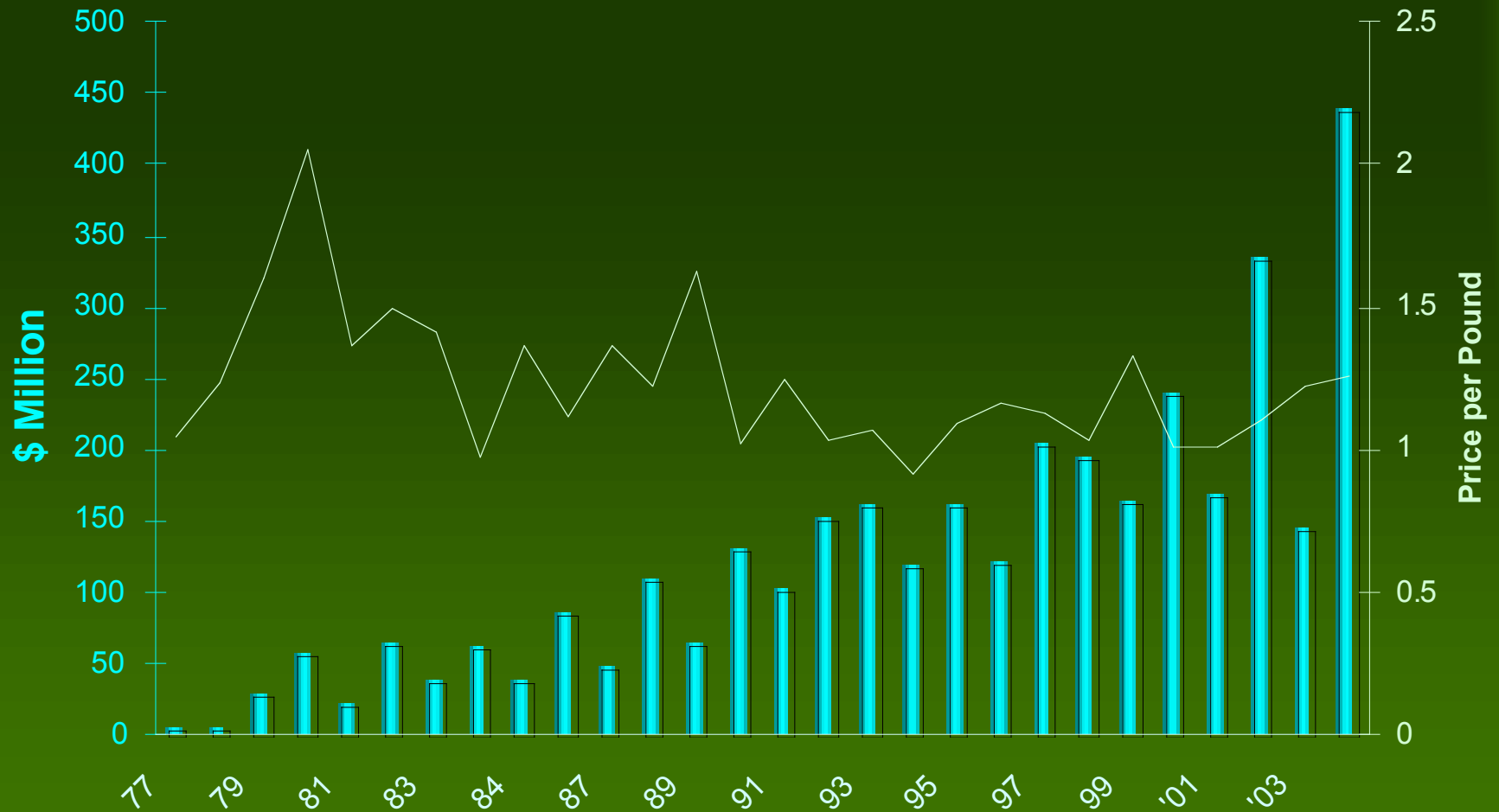
CA PISTACHIO PRODUCTION AND PRICE 1977 - 2004



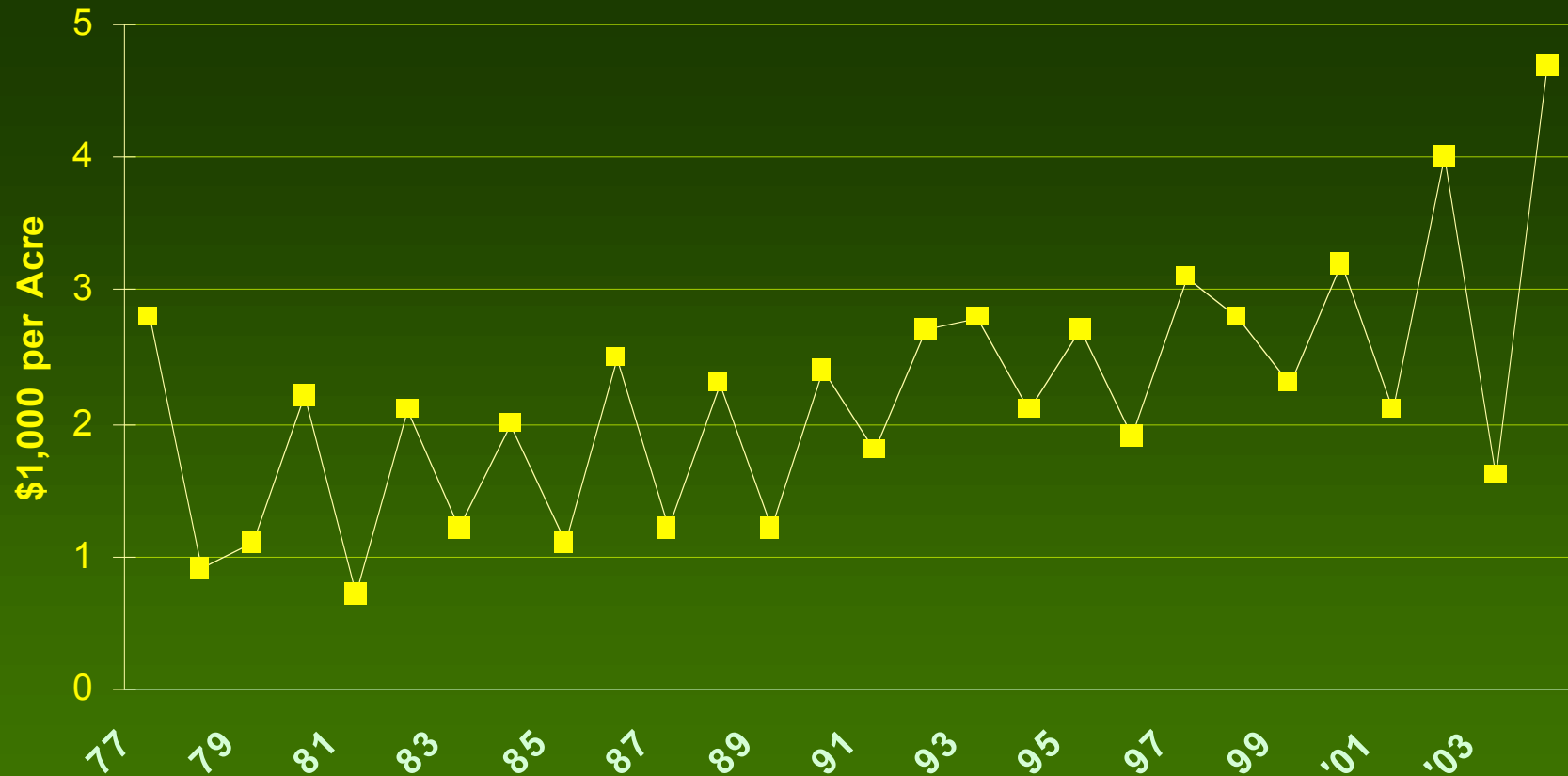
CA PISTACHIO

TOTAL VALUE *AND* PRICE *PER* POUND

1977 - 2004



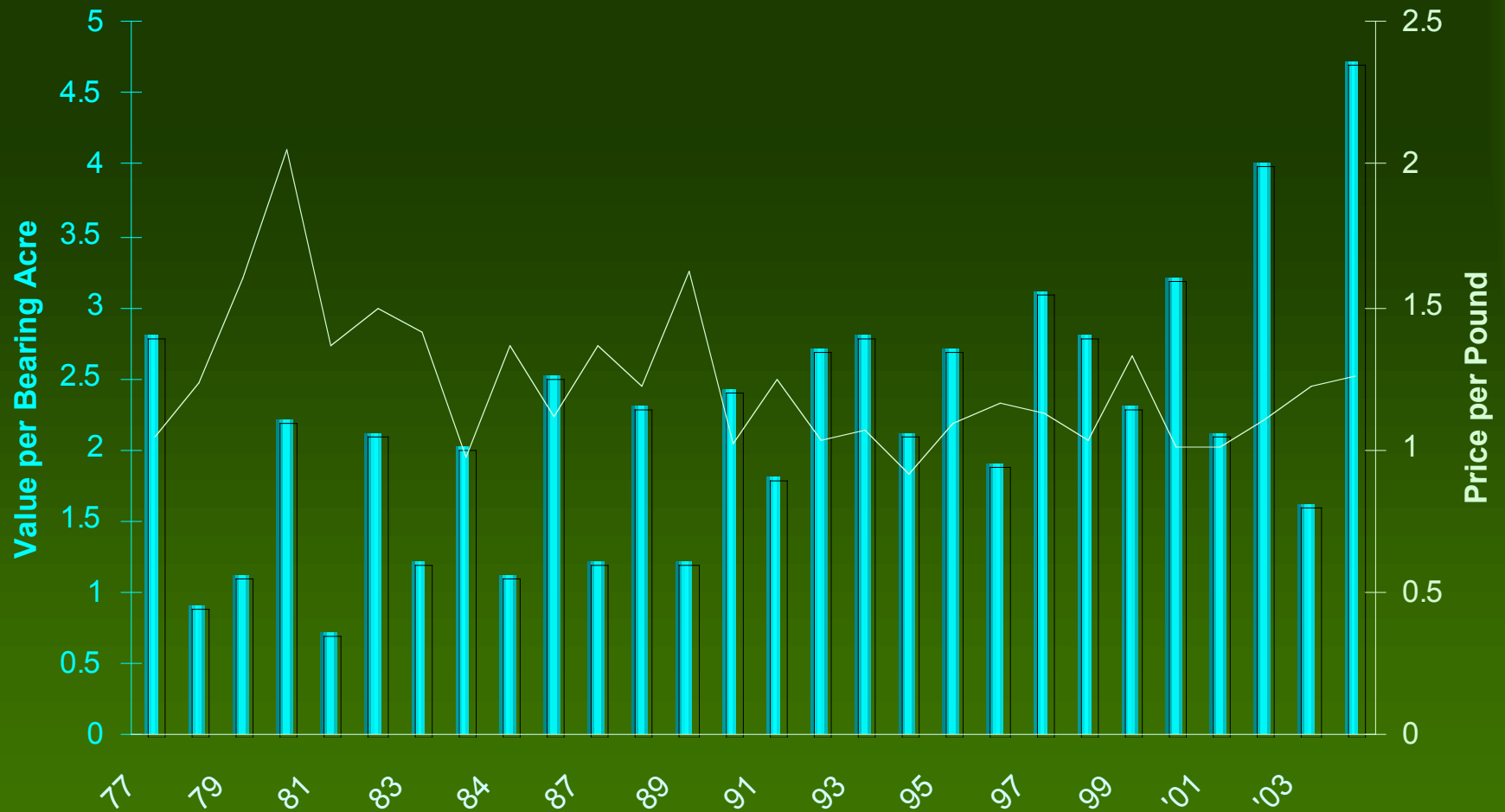
CA PISTACHIO VALUE *PER ACRE* 1977 - 2004



CA PISTACHIO

VALUE *PER* BEARING ACRE *AND* PRICE

1977 - 2004



COSTS *of* PRODUCTION

- Cultural costs
- Harvest costs
- Cash overhead costs
- Noncash overhead costs

COSTS *of* PRODUCTION

- Cultural costs
 - Pruning, suckering, and brush removal
 - Pest control (disease, insects)
 - Weed control (mowing, strip and spot sprays)
 - Fertilization
 - Irrigation
 - Chemical thinning
 - Pollination

COSTS *of* PRODUCTION

- Harvest costs
 - Hand harvest

COST *of* PRODUCTION

- Cash overhead
 - Office expense
 - Sanitation fees
 - Liability and property insurance
 - Property taxes
 - Repairs on buildings and irrigation system

COST *of* PRODUCTION

- Noncash overhead
 - Buildings
 - Shop and pruning tools
 - Irrigation system (including pump, well, filtration system, pipes, and sprinklers)
 - Fuel tank
 - Equipment
 - Orchard establishment
 - Land

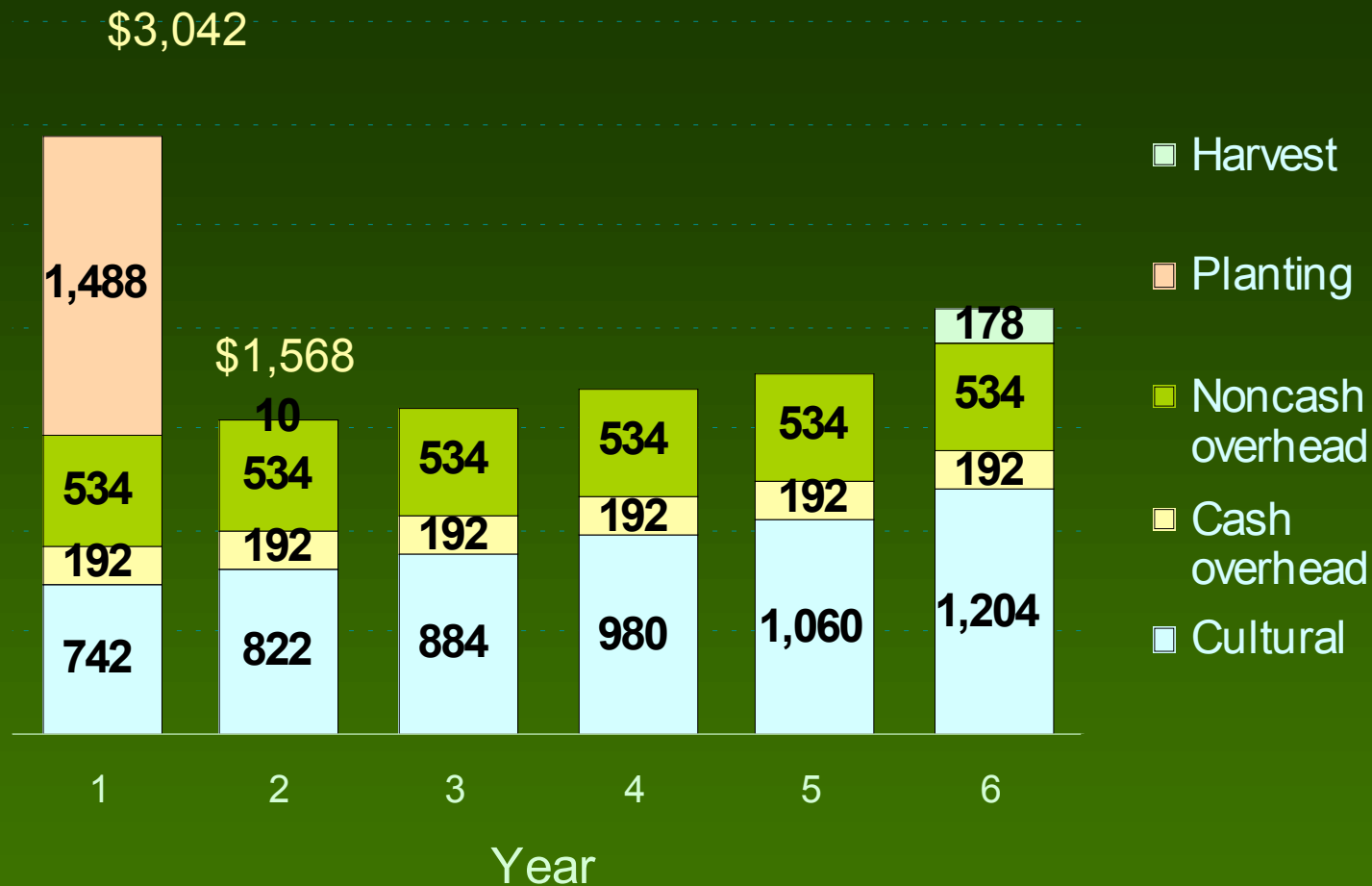
ASSUMPTIONS

- Manzanillo variety, 151 trees per acre reduced to 75 trees in year eight.
- 60 year orchard life
- Land, \$5,000 per acre
- Water \$50 per acre foot
- \$16.59/hr. machine labor
- \$13.99/hr. irrigator labor and pruning
- Micro – sprinkler irrigation

YIELD *and* HARVEST

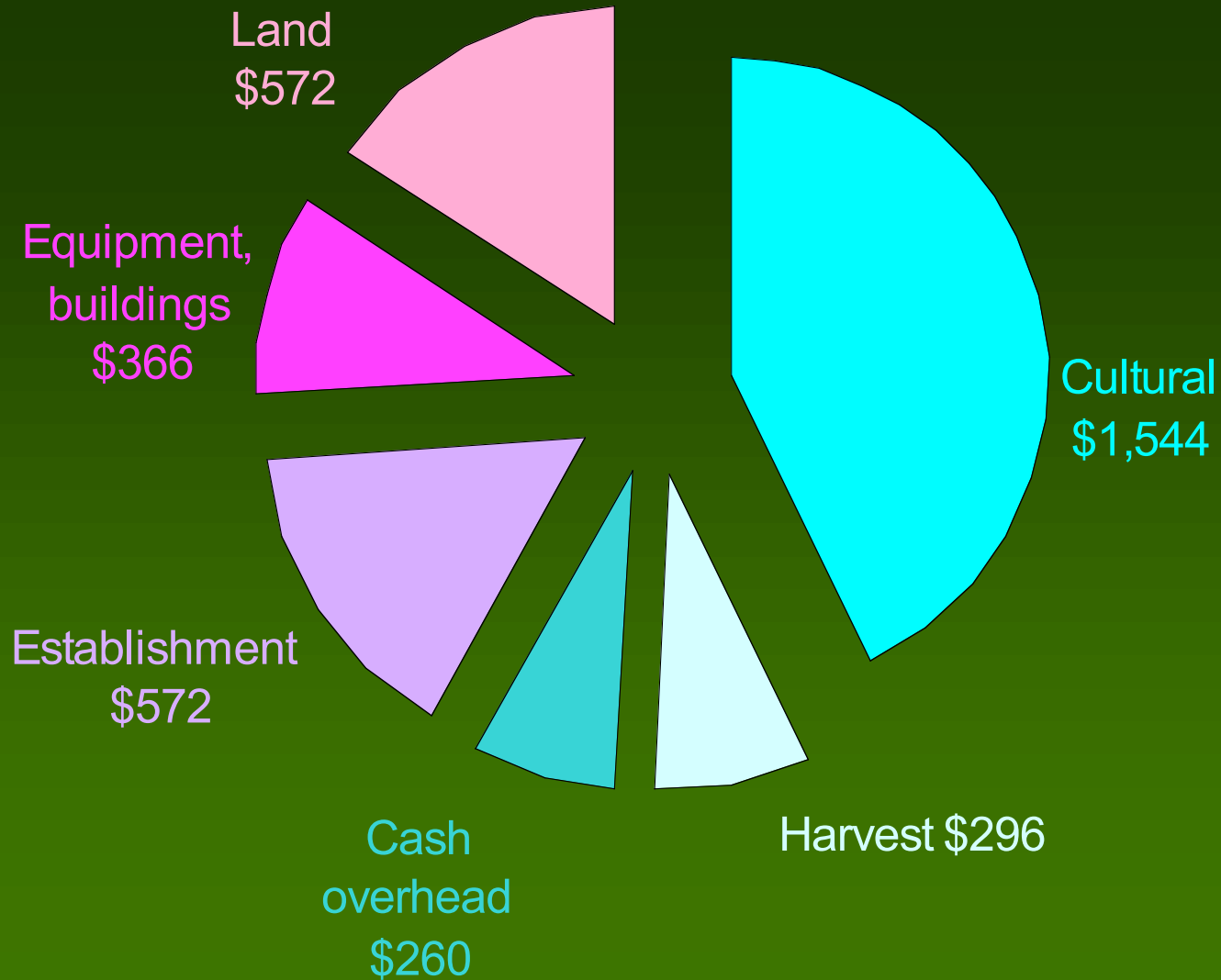
- 5 tons per acre
- \$300 per ton, hand pick

TOTAL COSTS *per* ACRE to ESTABLISH PISTACHIOS



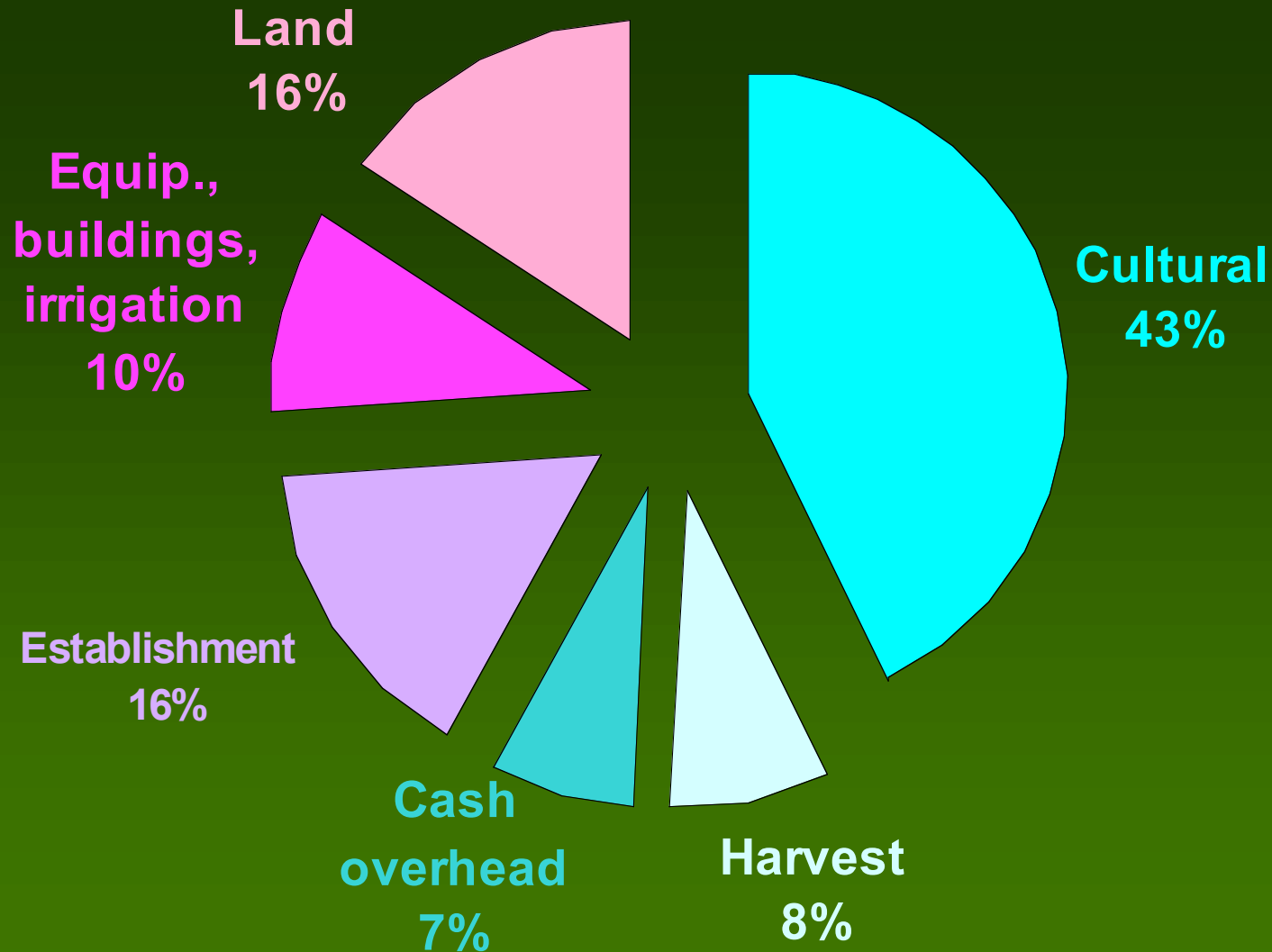
COSTS *to* PRODUCE PISTACHIOS

\$ 3,258 per Acre



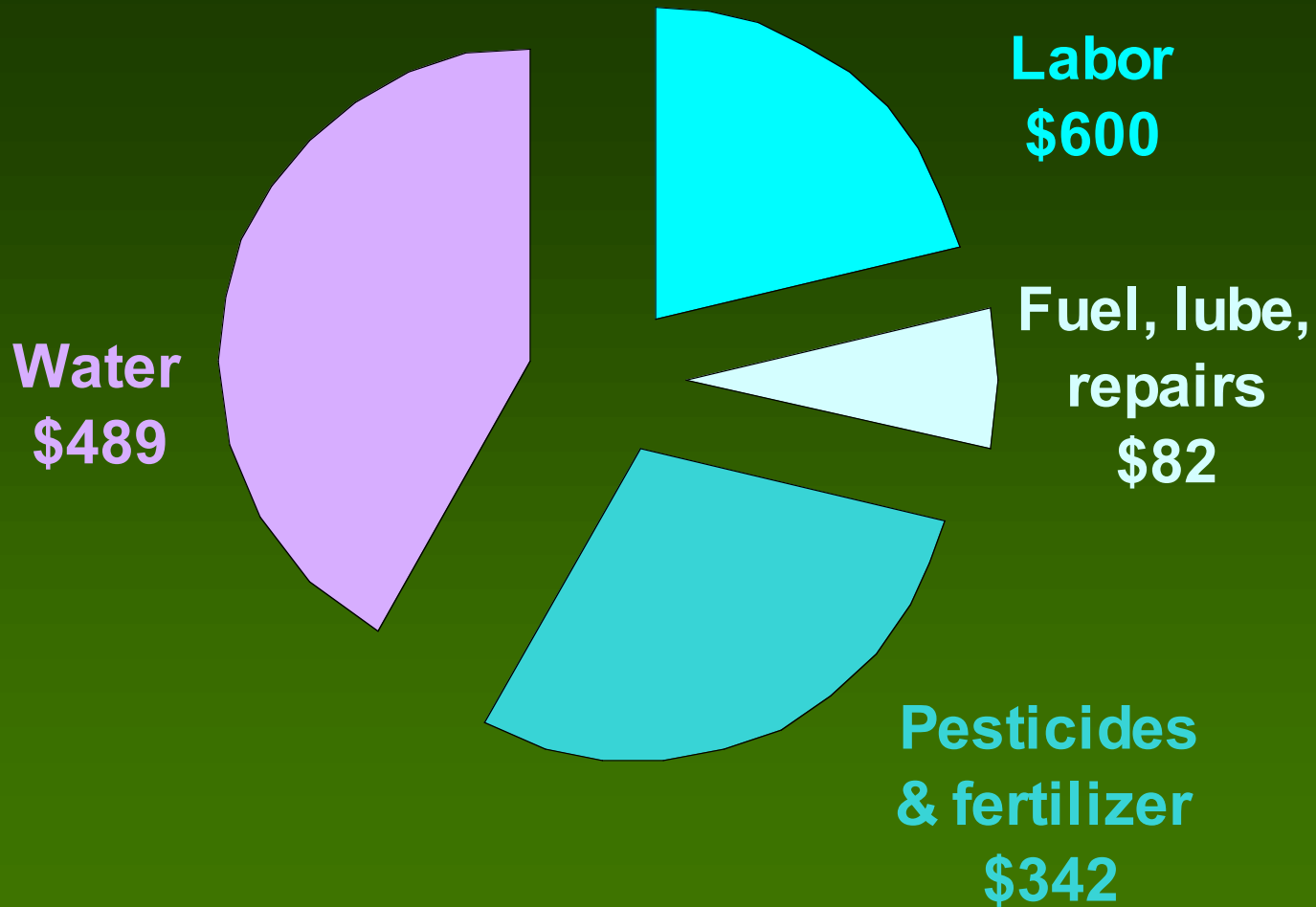
COSTS *to* PRODUCE PISTACHIOS

\$ 3,258 per Acre



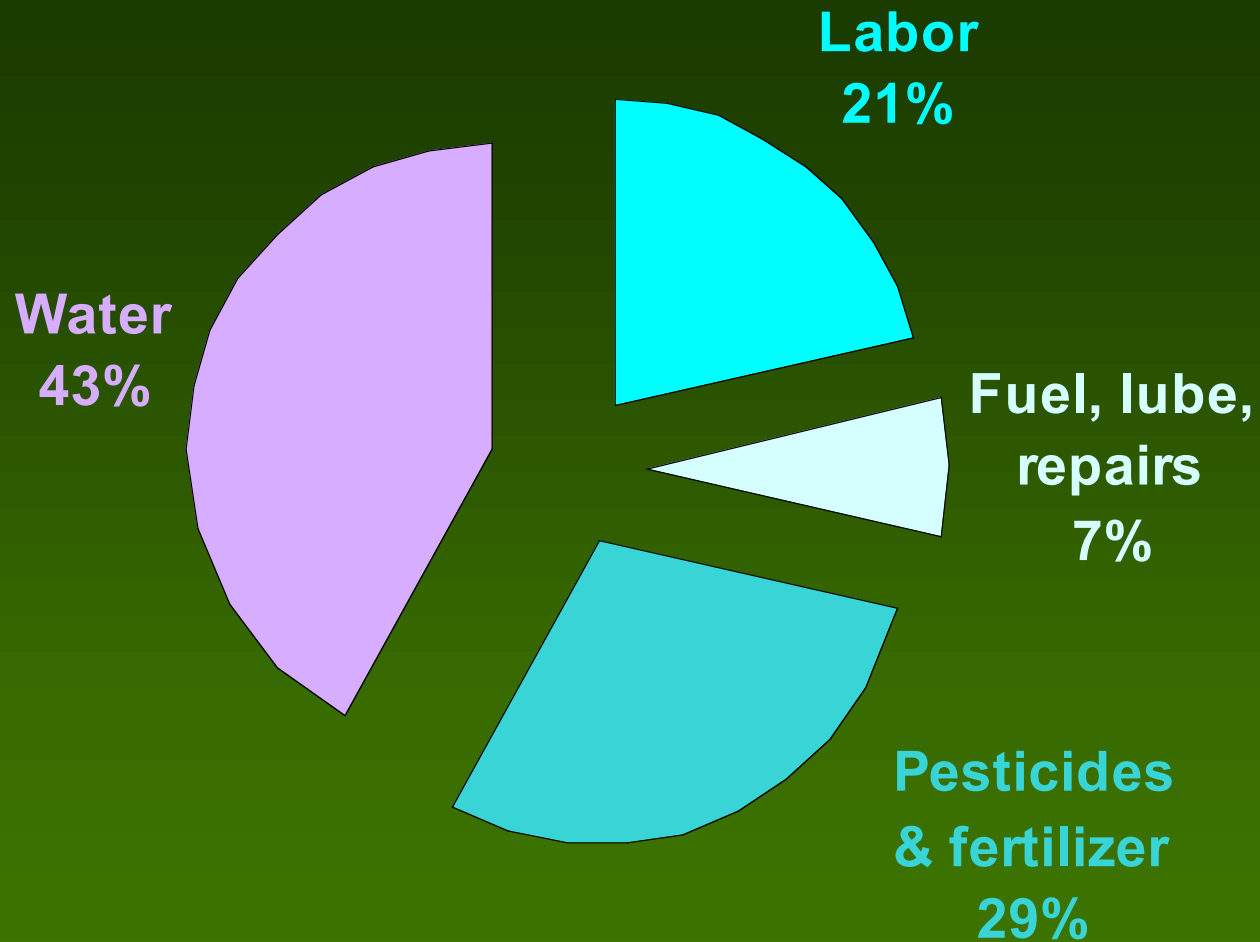
CULTURAL COSTS FOR PISTACIOS

\$ 1,544 per Acre

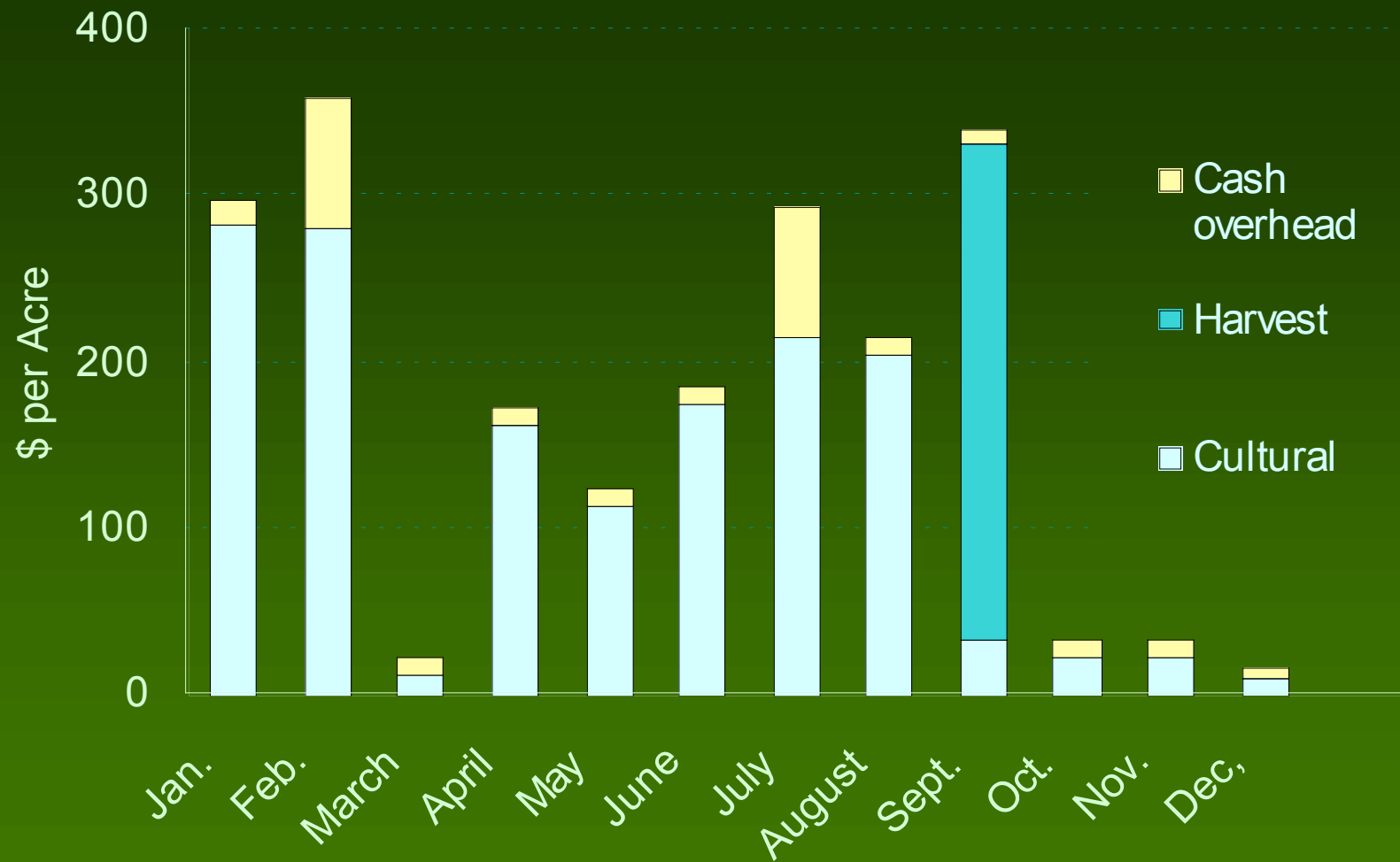


CULTURAL COSTS FOR PISTACIOS

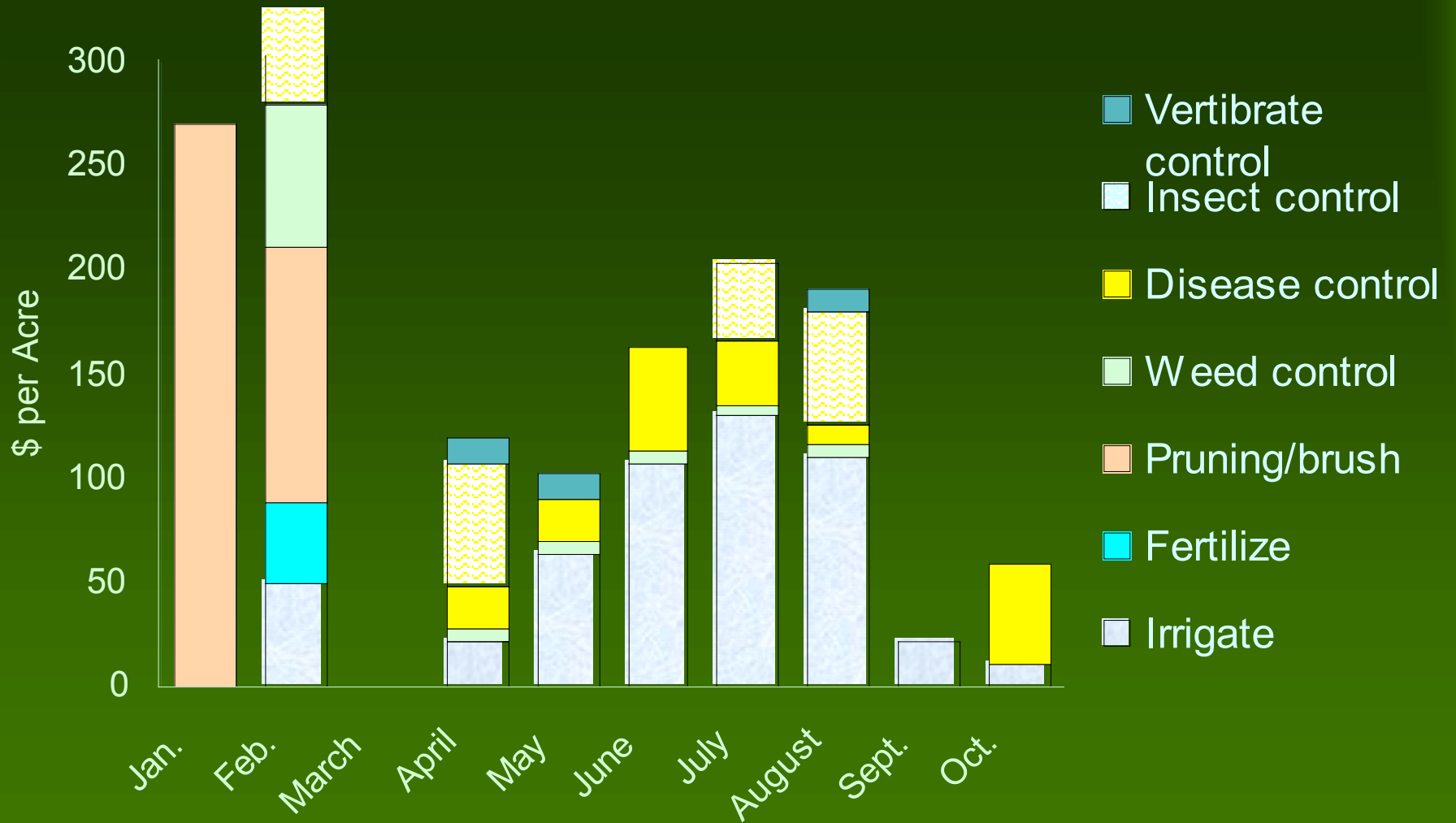
\$ 1,544 per Acre



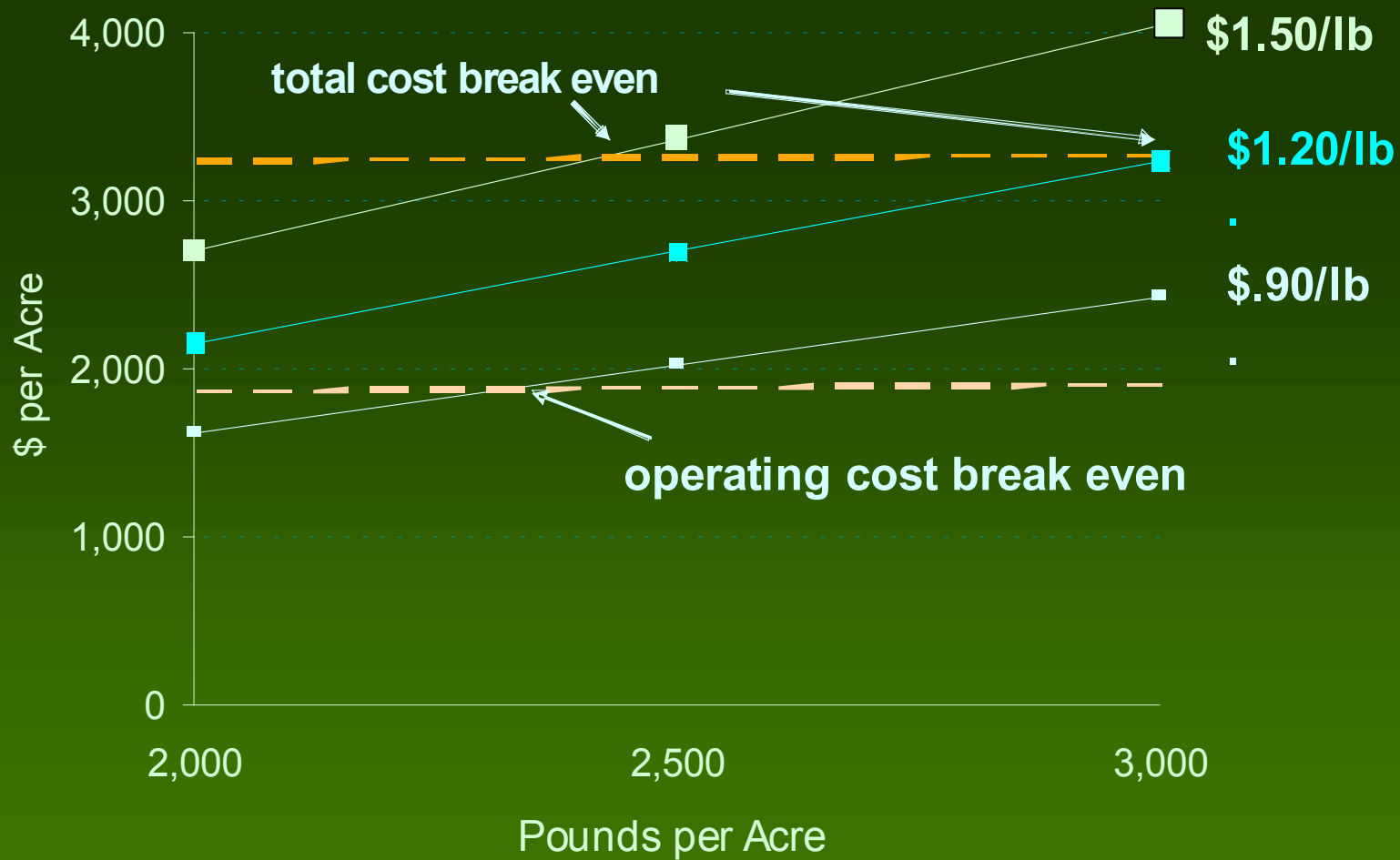
MONTHLY CASH COSTS *per* ACRE



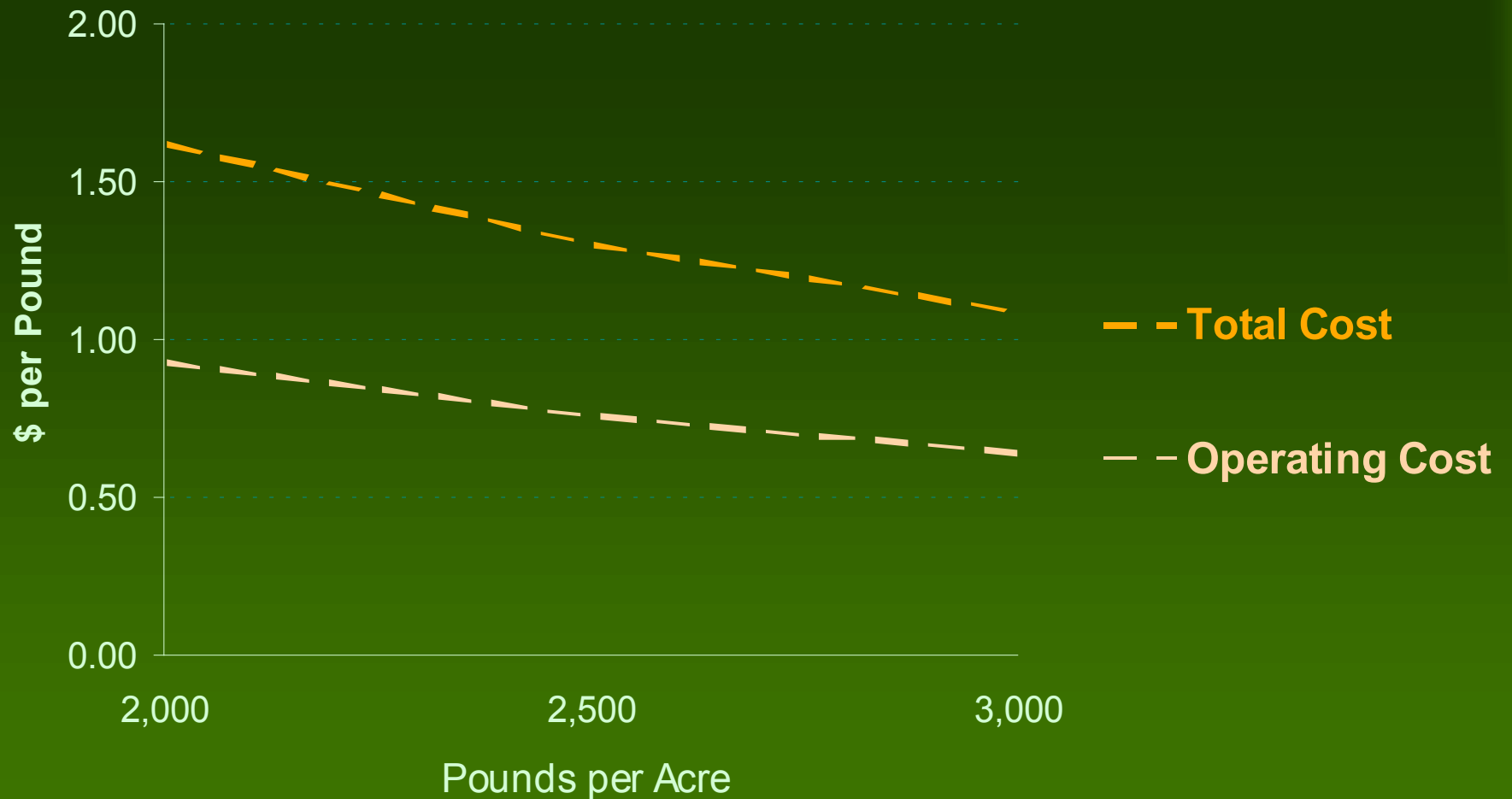
MONTHLY CULTURAL COSTS *per ACRE*



REVENUE, COSTS, & BREAK EVEN



PISTACHIO PRODUCTION COSTS *PER POUND* AT VARYING YIELDS



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