

Table 4: Input costs, revenues, and net income (loss) for processed and fresh market apple production.

Per acre costs, revenues, and net income assuming a planting density of 135 trees per acre using semi-dwarf rootstock.

Estimates apply to tax-year 2005.

Establishment Costs (applicable to both processed market and fresh market orchards)

Land Clearing	\$75.00
Land Preparation (labor, machinery, material)	\$515.00
Planting (labor, machinery, trees)	\$915.00
Total Establishment Cost	\$1,505.00

	Processed Market Apple Production				Fresh Market Apple Production			
	Pre Production (1-4 Years)	Early Production (5-10 years)	Full Production (11-25 years)	Late Production (26-30 years)	Pre Production (1-4 Years)	Early Production (5-10 years)	Full Production (11-25 years)	Late Production (26-30 years)
Annual Production Costs								
Fertilizer	\$43.86	\$24.48	\$24.48	\$27.54	\$43.86	\$24.48	\$24.48	\$27.54
Lime	\$51.00	\$51.00	\$51.00	\$51.00	\$51.00	\$51.00	\$51.00	\$51.00
Pesticides	\$186.66	\$371.28	\$556.92	\$556.92	\$186.66	\$472.26	\$699.72	\$699.72
Bee Rental	\$1.00	\$6.00	\$10.00	\$8.00	\$1.00	\$6.00	\$10.00	\$8.00
Pest Control	\$8.00	\$9.00	\$11.00	\$10.00	\$8.00	\$9.00	\$11.00	\$10.00
Mulch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Pruning	\$5.00	\$35.00	\$100.00	\$150.00	\$75.00	\$130.00	\$160.00	\$200.00
Hand Thinning	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25.00	\$50.00	\$50.00
Supplies (replace lost wrenches, etc.)	\$8.00	\$7.00	\$6.00	\$5.00	\$8.00	\$7.00	\$6.00	\$5.00
Miscellaneous (telephone, etc.)	\$54.00	\$11.00	\$11.00	\$11.00	\$54.00	\$11.00	\$11.00	\$11.00
Fixed Machinery Cost (interest & depreciation)	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00	\$31.00
Variable Machinery Cost (fuel, oil, & maintenance)	\$62.00	\$235.00	\$235.00	\$235.00	\$62.00	\$235.00	\$235.00	\$235.00
Permanent Labor	\$190.00	\$386.00	\$578.00	\$474.00	\$190.00	\$386.00	\$578.00	\$474.00
Annual Harvest Cost								
Harvest Labor	\$0.00	\$426.56	\$984.38	\$656.25	\$0.00	\$426.56	\$984.38	\$787.50
Fixed Machinery Cost (interest & depreciation)	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50	\$11.50
Variable Machinery Cost (fuel, oil, & maintenance)	\$23.00	\$80.00	\$80.00	\$80.00	\$23.00	\$80.00	\$80.00	\$80.00
Storage, Packing, Transportaion, and Brokerage Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,462.50	\$3,375.00	\$2,700.00
Annual Overhead								
Insurance	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Average Interest (paid on operating capital and debt) /1/	\$248.60	\$554.32	\$397.16	\$169.75	\$263.00	\$744.88	\$913.00	\$473.11
Total Annual Production, Harvesting and Overhead Costs	\$1,301.87	\$2,241.14	\$3,089.44	\$2,478.96	\$1,386.27	\$4,115.18	\$7,233.08	\$5,856.37
Yield	0	325	750	525	0	325	750	600
Price Received	\$5.04	\$5.04	\$5.04	\$5.04	\$9.94	\$9.94	\$9.94	\$9.94
Total Revenue	\$0.00	\$1,638.00	\$3,780.00	\$2,646.00	\$0.00	\$3,230.50	\$7,455.00	\$5,964.00
ANNUAL NET INCOME (LOSS)	(\$1,301.87)	(\$603.14)	\$690.56	\$167.04	(\$1,386.27)	(\$884.68)	\$221.92	\$107.63

1/ Annual interest expenses vary depending upon debt accumulation. The figure listed represents the average annual interest paid over the specified time period.