Appendix 8 – The economics of cranberry production

The economics of production of different sized farms are kept under close scrutiny. Production is often forecast and mechanisms are in place to support this (McGrath, 2024). This appendix includes a number of tables indicating the economics of cranberry production for reference. References are detailed in the main report.

Table 6: Breakeven Analysis Per Acre

Financing	Farm Size	Price/Barrel \$40	Price/Barrel \$60	Price/Barrel \$80	
No	Large Farm	> 25 years	16 years	11 years	
	Small Farm	> 25 years	18 years	12 years	
Yes	Large Farm	Never	> 25 years	19 years	
	Small Farm	Never	> 25 years	25 years	

Source: Jones, no date.

This table reflects the costs associated with cranberry production.

Appendix Chart 1: Large Farm (less than 15 acres)

_	Pre-									
Large Farm	Plant	Planting Year 2	V 2	V 4	V F	V C	V7	V 0	V0	V 40
Income	Year 1	rear 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income Yield Barrels/Acre			75	100	405	450	175	175	175	475
					125	150				175
Revenue Fresh @ \$80/Barrel			\$6,000	\$8,000	\$10,000	\$12,000	\$14,000	\$14,000	\$14,000	\$14,000
Total Income			\$6,000	\$8,000	\$10,000	\$12,000	\$14,000	\$14,000	\$14,000	\$14,000
Variable Costs (per acre)	AF 100									
Construction of Pond	\$5,160									
Irrigation and Pump House	\$7,090									
Heavy Equipment at \$115/hr	\$9,840									
Sand - 1400 yards @ \$4/yard	\$5,600									
Peat Moss - 475 @ \$12/yard	\$5,700									
Planting Costs		\$1,500								
Other Miscellaneous	\$4,000									
Vines - 2 tonnes @ \$4000/tonne		\$8,000								
Fertilizer		\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440
Pesticides		\$435	\$435	\$435	\$435	\$435	\$435	\$435	\$435	\$435
Bees			\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Purchases			\$158	\$158	\$158	\$158	\$158	\$158	\$158	\$158
Labour		\$414	\$690	\$690	\$690	\$690	\$690	\$690	\$690	\$690
Employee Benefits		\$81	\$135	\$135	\$135	\$135	\$135	\$135	\$135	\$135
Maintenance & Repairs			\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105
Fuel/Oil/Electricity			\$570	\$570	\$570	\$570	\$570	\$570	\$570	\$570
Pruning			\$100		\$100		\$100		\$100	
Sanding			\$1,500			\$1,500			\$1,500	
Tissue Sampling			\$22	\$22	\$22	\$22	\$22	\$22	\$22	\$22
Consulting Fees			\$45	\$45	\$45	\$45	\$45	\$45	\$45	\$45
Labour (Wet Harvest)			\$165	\$165	\$215	\$240	\$265	\$265	\$265	\$265
Variable Costs Total	\$37,390	\$11,870	\$5,615	\$4,015	\$4,165	\$5,590	\$4,215	\$4,115	\$5,715	\$4,115
Contribution Margin	-\$37,390	-\$11,870	\$385	\$3,985	\$5,835	\$6,410	\$9,785	\$9,885	\$8,285	\$9,885
Fixed Costs		,				,				
Taxes	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28	\$28
Equipment Interest	\$872	\$872	\$872	\$872	\$872	\$872	\$872	\$872	\$872	\$872
Fixed Cost Total	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900	\$900

Table 22: Costs and Returns for Cranberries, Per Acre (Brumfield, 2024)

This table details the breakdown of costs for a 20-40 Acre Operation, Bog Preparation and Vine Planting, Conventional Production Practices, Northeastern United States, 1996.

Item	Unit	Price \$	Quantity	Total \$	
Receipts	Onic	11100 ψ	Quartity	Ισιαιφ	
Cranberries	bbls		0	\$-	
Variable costs	DDIO		&n bsp;	Ψ	
Fertilizer			an bop,		
N	lb	1.2	35	42	
P	lb	1.2	60	30	
K	lb	1.2	90	48.6	
Bog Preparation				10.0	
Land clearing	per acre	3400	1	3400	
ADS underdrains	ft	0.5	1450	725	
Aerial applications	per appl	13	5	65	
Vapam	gal	4.25	70	297	
Labour					
Operator	hours	14.48	9	130.32	
Regular Hired	hours	10.13	4	40.52	
Seasonal Hired (planting cuttings)	hours	7.24	120	868.8	
Seasonal Hired (weeding new vines)	hours	7.24	15	108	
Plants					
Rooted cuttings	each	0.05	45	2250	
Fuel and oil					
Fuel and oil	acre	46	46		
Repair and maintenance					
Machinery and equipment	acre	50	1	50	
Supplies	acre	32	1	32	
Irrigation					
Irrigation installation	acre	2000	1	2000	
Operating costs	acre	200	1	200	
Miscellaneous					
Utilities	acre	50	1	50	
Sub total				10,384.34	
Interest on operating capital	acre	10%	1	519.22	
Total variable cost	acre		1	10,903.56	
Returns above variable costs	acre		1	10,903.56	
Fixed costs					
Equipment	acre	200	1	200.00	
Buildings	acre	100	1	100.00	
Bog land rent	acre	250	1	250.00	
Total fixed costs	acre		1	550.00	
Total fixed and variable costs	acre		1	11,453.56	
Management fees	acre	7%	1	794.75	
Total costs	acre		1	12,248.31	
Net returns	acre		1	12,248.31	