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# Hops: Trellis, Irrigation, and Establishment (and costs)

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MSU IPM Academy February, 2014







#### Climbing bines

- Bine climbs with the aid of "Trichomes"
- In the wild-they climb up companion species
- Commercial production-Requires a trellis system for support
- Typical set-up
  - 18' tall
  - Plants spaced 3' x 14'
  - 1000-1200 plants/acre
- Vine wraps around string-clockwise-function of phototropism (light) and thigmotropism (touch)





# **Conventional High Trellis**







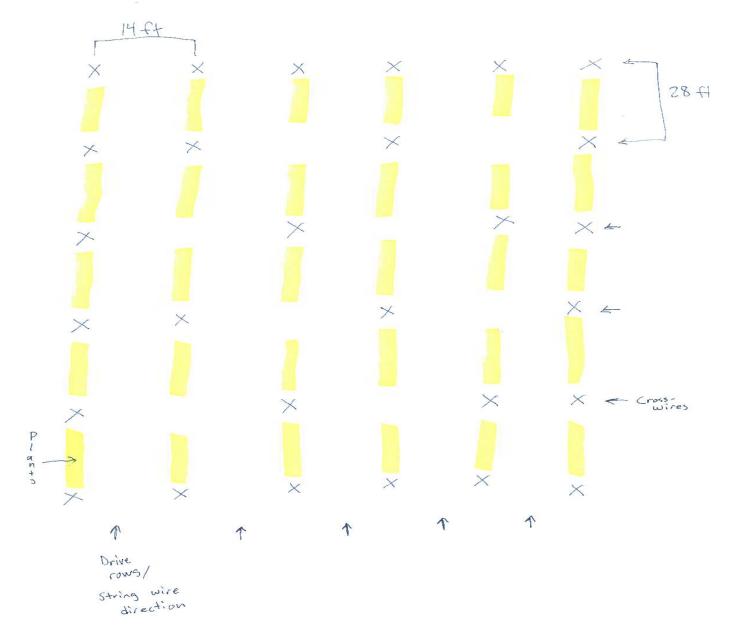


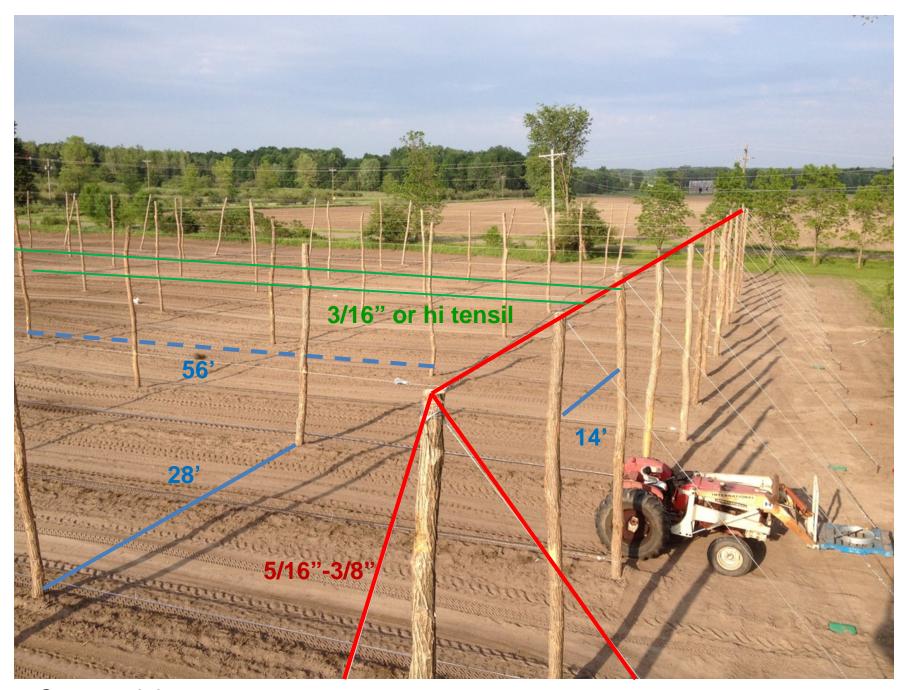






#### Standard Tall Trellis Hopyard Design





Carr creek hops

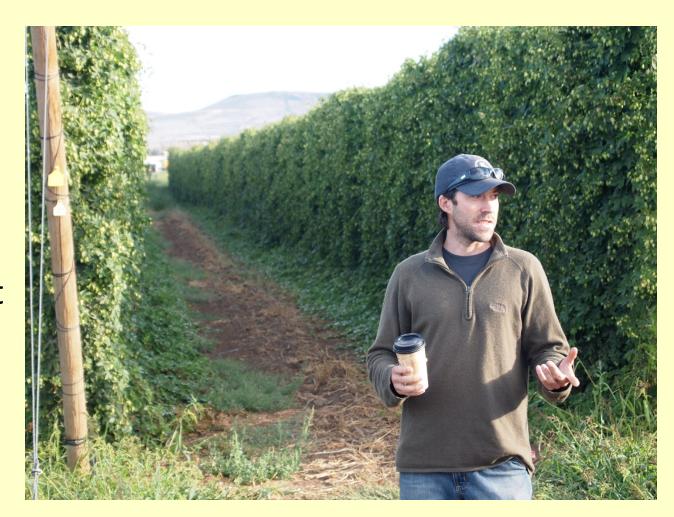


## Important to build a Solid Trellis!!



#### **Short Trellis**

- 3' x 8', 9', or 12'
- Labor Reduction
- LowerEstablishmentCost
- Lower yields
- Ill-adapted varieties





# Alternative Spacing: NZ





#### Irrigation

- 75-80% of total annual hop water use occurs after mid-June
- Greatest daily amounts late
   July-early August
- Majority of roots are in top 4'
- Hops usually extract 50-60% from top 2', but can extract water from 8' or below
- Overall use around 30 inches/year, depends on season

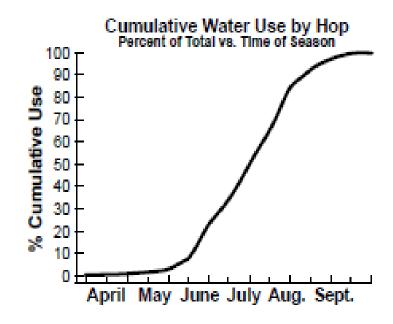


Fig. 1. Cumulative water use of hop during the growing season.



#### **Irrigation Tips**

- Baby plants more frequent light applications
- Carefully monitor soil water levels (tensiometer)
- With drip you should always think about clogged emitters:
  - Algae, silt or chemical deposits, etc.
  - Filtration, acid injection, chlorine injection.
- Applying fertilizers without enough water can lead to salt buildup
- Weed control-very important
- Good mite and aphid control-will reduce stress on plants
- Do not underwater
- Right size your well for your acreage
- Different zones for different cultivars



### Irrigation: Examples

- Puterbaugh Farm-RAM pressure compensating- emitters every two feet.
- 2-4 hours cycles every other day in cooler temps, every day in hot temps
- Take the soil to saturation level but not beyond, because it would take fertilizer too deep.
- Flush lines once a month-flushes out sediment.







#### Irrigation: Examples

- Loftus Ranches
- Run two drip tubes per row
- 8 gallons per plant per day in hot season (4 on, 8

off, 4 on)

~8000 gallons/acre





#### Irrigation: Examples

#### **NWMHRC**

- Run one drip tube per row
- .42 gallon emitters every two feet
- RAM tubing
- 30 minute flush, 45 minute fertigate, 30 minute flush (every other day)
- NOT ENOUGH WATER





# Fertigation









Table 1. 2013 Hopyard Preparation and Establishment Costs (Per Acre and Per 5 Acre yard)

Land Preparation		Per Acre	Notes	5 Acre Yard
Disc	\$	26.00	\$26/acre	\$ 130.00
Establishment				
Post Holes- digging	\$	312.50	2.5 hrs * \$125/hr (145 hp tractor)	\$ 1,562.50
Post Holes-placement	\$	750.00	6 hrs * \$125/hr	\$ 3,750.00
Poles-field	\$	1,590.00	50 @ \$30/pole	\$ 7,950.00
Poles-end~	\$	1,840.00	46 @ \$40/pole	\$ 5,360.00
Earth Anchor	\$	650.00	50 per acre @ \$13 each	\$ 3,250.00
Wire	\$	1,000.00	Galvanized 7 strand (\$800) + #9 (\$200)	\$ 5,000.00
Misc Hardware/supplies	\$	500.00	staples, etc.	\$ 2,500.00
Labor-poles	\$	480.00	4 workers- \$10/hr x 12 hrs	\$ 2,400.00
Management	\$	240.00	12 hrs @ \$20/hr	\$ 1,200.00
Hop Plants	\$	3,000.00	(\$3/plant, 1000 plants per acre; 14' x 3.5')	\$ 15,000.00
Labor-planting	\$	700.00	(70 hrs x \$10/hr)	\$ 3,500.00
Irrigation^	\$	1,500.00	Includes installation	\$ 7,500.00
Well			Variable	
Total Initial Costs	\$	12,588.50		\$ 59,102.50

<sup>~</sup> For a 5 acre yard: 53 field poles/ac & 27 end poles/ac=265 field poles and 134 end poles or 80/acre

<sup>^ 50</sup> gallon/min, 2 inch main (no filtration)-cost is variable depending upon needs, # zones, etc.



Table 2. 2013 Hopyard Annual Operating Costs and Returns (Per Acre)

	Year 1		Yea	ır 2	Year 3		Year 4		Year 5	
Annual Operating Costs										
Coir (1 string yr 1; 2 strings yr 2 +, \$.20/ string; clips \$80)	\$	240.00	\$	480.00	\$	480.00	\$	480.00	\$	480.00
Labor-stringing (5 workers x 10 hours X \$10/hr)	\$	350.00	\$	500.00	\$	500.00	\$	500.00	\$	500.00
Labor-training	\$	500.00	\$	750.00	\$	750.00	\$	750.00	\$	750.00
Pest/Disease Chemicals (insecticide/fungicide/herbicide)	\$	400.00	\$	600.00	\$	600.00	\$	600.00	\$	600.00
Fertilizer	\$	250.00	\$	275.00	\$	275.00	\$	275.00	\$	275.00
IPM Consultant	\$	25.00	\$	25.00	\$	25.00	\$	25.00	\$	25.00
Repairs/Parts/Maintenance			\$	250.00	\$	250.00	\$	250.00	\$	250.00
Machinery/Labor -Stringing	\$	100.00	\$	100.00	\$	100.00	\$	100.00	\$	100.00
Machinery/Labor -Fertility	\$	300.00	\$	400.00	\$	400.00	\$	400.00	\$	400.00
Machinery/Labor -Mowing/Till	\$	100.00	\$	100.00	\$	100.00	\$	100.00	\$	100.00
Machinery/Labor- Spraying	\$	300.00	\$	350.00	\$	350.00	\$	350.00	\$	350.00
Subtotal	\$	2,565.00	\$	3,830.00	\$	3,830.00	\$	3,830.00	\$	3,830.00
Hamiost										
Harvest			۲	400.00	۲	400.00	۲.	400.00	۲	400.00
Labor-harvesting (10 hrs, 4 workers-cut, load)			\$	400.00	\$	400.00		400.00	\$	400.00
Management (\$20/hr* 10 hrs)			\$	200.00	\$	200.00	\$	200.00	\$	200.00
Machinery (\$125/hr)			\$	1,250.00	\$	1,250.00	\$	1,250.00	\$	1,250.00
Subtotal			\$	1,850.00	\$	1,850.00	\$	1,850.00	\$	1,850.00
Total Annual Operating Costs	\$	2,565.00	\$	5,680.00	\$	5,680.00	\$	5,680.00	\$	5,680.00

- Analysis does not include land cost or overhead like interest on loans, taxes, etc.
- Does include per hour rate for machinery, labor, and management that would be charged if hired out (opportunity cost)
- Standard trellis design is 3.5 x 14 ft ~1000 plants/acre



Net Revenue/acre	\$ (2,565.00) \$	(180.00)	\$	2,820.00	\$	5,820.00	\$	5,820.00
1		-,			•	,		,:::::
Pellitized (\$12-14/lb.)	0 \$	10.500.00	\$	15,750.00	\$	21,000.00	\$	21,000.00
Wholecone dried (\$10-12/lb)								
Fresh wholecone wet (\$5-6 /lb.)								
Total yield in pounds dried/acre	0	750 1125			1500		1500	
Percent of total yield- (full production 1500 lbs. dried/acre)	0	50%	)	75%	•	100%		100%
Gross Revenue/acre								
Subtotui	0.5	3,000.00	٦	7,230.00	٦	3,300.00	ڔ	9,500.00
Subtotal	0 \$	5,000.00	\$	7,250.00	\$	9,500.00	<u>\$</u>	9,500.00
Sales Costs (Commission, transportation, shipping, etc.)								
Interest on Equipment (picking machine, hammer mill, pelletizer)								
Transport to processor (variable)	\$	500.00	\$	500.00	\$	500.00	\$	500.00
Picking processing fees (\$6/lb.) (energy, supplies, labor, etc.)	\$	4,500.00	\$	6,750.00	\$	9,000.00	\$	9,000.00
Post Harvest Costs								

- UVM-\$1.60/lb for picking only
- A couple of MI processors- ~\$5.50/lb (including a 10% sales commission)
- Ontario \$4.50/lb (no sales or marketing)
- Quebec and BC- (they charge 35% of sales amount) or currently \$5.50/lb since they are selling for close to \$16/lb (including access to mechanized harvester + dryer) and post-harvest services (including pelletization, packaging, commercialization)
- A group in Wisconsin was charging \$4/lb just for pelletizing, packaging, and selling.
- Depends on your assumptions (lbs per acre, cost of labor, payment on debt, etc.), but it looks like things are shaking out at around \$5/lb for the process of picking through selling.



\$1.50 / lb

\$600/day

#### TAKE HOME MESSAGES

- Quality is crucial
- Do not skimp on establishment
- You will not get rich growing hops
- Hi initial and annual costs with questionable returns in the future

•	Wolf (picker)	\$50,000+
•	Hammermill & Pelletizer	\$10,000-15,000
•	Vacuum Sealer	\$2000-2500

- Dryer \$12,000 +
- Energy (wet hop to pellet)
- Cold Storage \$ ?????
- Annual labor for 14 acres
   Crew of six (2 months working 10 hour + days)

- Don't underestimate the amount of labor required
- Need for picking and processing equipment if you plant >1/2 acre
- Line up supplies well in advance
- How will you sell your hops?
- Will most likely need a price premium to do organic



#### http://www.hops.msu.edu

