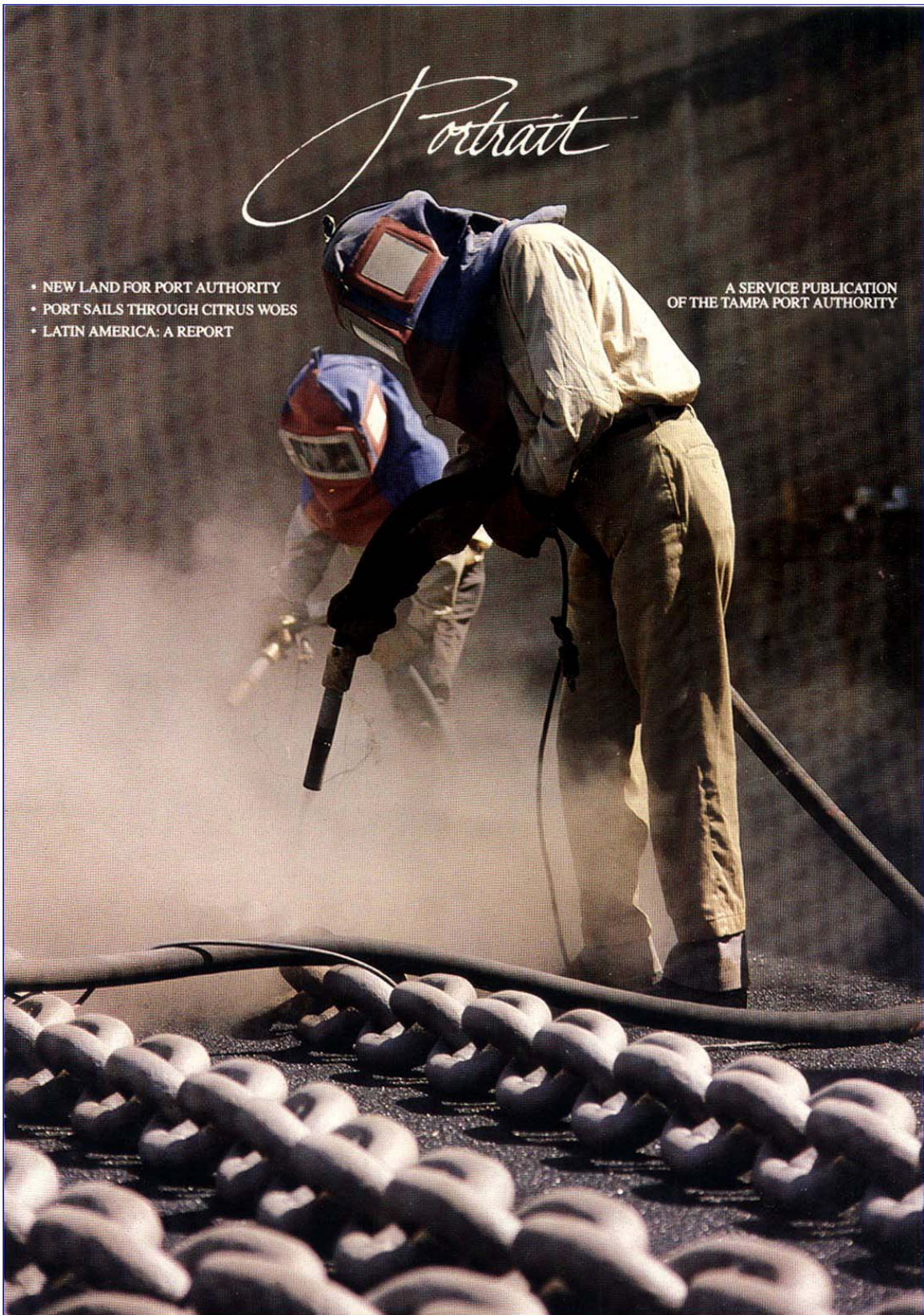


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PORT OF TAMPA SAILS THROUGH CITRUS INDUSTRY'S TEMPEST



While Florida's citrus industry grapples with the effects of the double whammy dealt it by last year's devastating freeze and the discovery of deadly citrus canker in some citrus nurseries, the Port of Tampa, in the heart of citrus country, feels little of the pain; if anything, it expects an increase this year in citrus-related cargoes.

To understand this seemingly unlikely set of circumstances, one must go back to January 1977, when Florida still was riding the crest of the citrus wave, still leading the world in orange production as it had for 100 years.

The freeze of 1977 marked the turning point for Florida as the orange juice king. With demand at a record high, Florida processors could ill afford the reduction in the orange crop caused by the freeze. So, they turned to Brazilian oranges to fill the gap. The Brazilian juice purportedly had a tarter taste than its Florida counterpart, but when the juices were blended, the new product was palate pleasing. In fact, some Florida juice experts could not tell the difference between the blended version and pure Florida juice.

The Brazilian juice concentrate also was pleasing to the pocketbook. Even with a hefty import duty, the Brazilian concentrate was priced low enough to keep juice prices from soaring, thanks to Brazil's cheaper labor costs.

What began as a stop-gap measure with the Brazilian concentrate bolstering the Florida juice market, however, soon became a long-term situation, when back-to-back freezes hit Florida's citrus crop in January 1981 and January 1982. With less than two years for crops to recover, the ravaging December 1983 freeze was feared to be the death knell for Florida's citrus industry. Death knell it appears not to be, but opportunity for Brazil to permanently dominate the market it is.

The situation has been inevitable since 1981, when Brazil passed Florida as the world's leading producer of both oranges and orange concentrate, and the gap is expected to widen. Brazilian concentrate now dominates several major foreign markets and makes up about a third of the orange juice consumed in the United States.

Right now, the Florida citrus industry needs the Brazilian oranges. The December 1983 freeze killed about 8-million Florida citrus trees and severely damaged another 100,000 acres of citrus trees, about 15 percent of all the state's citrus trees. Thirty-one percent of the 1984 crop was lost. Prospects are grim for the area hardest-hit by the freeze, north of Interstate 4. Many growers there will have little or no crop this year. Some growers, in fact, are abandoning the citrus business, selling out to land developers.

Although groves in south Florida, less ravaged by the 1983 freeze, are expected to pick up some of the citrus production load this year, it will be years before Florida groves will return to the production levels of the late '70s when the state was the citrus king.

Forecasts for 1984-85 call for Florida's orange crop to be 40 percent below normal, but not as low as first expected. The orange harvest is expected to be about 119 million 90-pound boxes; up from early predictions of 100 million to 110 million boxes, according to Don Lins, president of Tampa-based Seald-Sweet Inc., Florida's largest citrus exporter. "The shoes won't pinch quite as much," he said.

As if the freeze damage were not enough, the discovery in September of citrus canker, a bacterial disease lethal to citrus trees, added to the havoc. The highly-contagious disease does not affect humans, but if left unchecked, it could ravage Florida's citrus industry. Canker, however, can be transmitted by humans and animals. To date, it has been found in nursery orange trees only, and eradication officials have seen to the burning of all trees in those eight nurseries to prevent the canker's spread.

Citrus officials are hopeful that the disease has been contained. Says Lins, "We're keeping our fingers crossed that it won't be found in any mature groves."

In addition to burning the trees in the nurseries where the canker was found, other precautions are being taken. No citrus can be exported unless it has been dipped in a chlorine solution. The solution does not penetrate the fruit, but kills any canker bacteria that may be present. The procedure does not affect the consumability or taste of the inside of the fruit; it remains perfectly safe to eat.

The burning of the eight citrus nurseries added another dimension to the Florida citrus industry plight. Twenty-eight

percent of the state's young, much-sought-after trees fell victim to the burnings. Nursery trees were the ray of hope for many growers whose crops were severely freeze-damaged and who needed to replant quickly to cut their financial losses. Some of these growers will not receive their orders for trees this year and other orders will be cut substantially.

With Florida's multiple freezes and citrus canker threat, the stage was set for Brazilian orange concentrate to play an even larger role in Florida than it had before. Florida processors appear to be grabbing up the Brazilian product as much as they can before prices start to climb.

Of the four leading Brazilian processors of orange juice with control of 90 percent of the exports, two will be shipping over 100,000 tons of the product in bulk to the Port of Tampa between November 1984 and June 1985. Additional shipments are expected. The port expects a sizable boost in bulk concentrate tonnage this year, on top of last year's 42 percent jump.

Neighboring Port Manatee and Port Canaveral unload Brazilian concentrate shipped by the alternative method, in 55-gallon drums. Concentrate from Brazil, and increasingly from Central America, still comes into Tampa in drums, but the number of drums has dropped off since shipping in bulk is considerably cheaper.

"The entire industry is going to bulk," according to Victor Boettel of Tampa's Harborside Refrigerated Services.

Because of that trend, Tampa is in a good position to benefit.

Besides its bulk unloading capabilities from ships, Tampa was the first port in Florida with equipment specifically designed to discharge the bulk concentrate directly into tank trucks.

Despite the problems the influx of Brazilian concentrate may have created, the results are benefiting the Port of Tampa.

But oranges are not the only Florida citrus crop to be affected by the freeze. Grapefruit, which is the prime citrus export crop from the Port of Tampa, also has been hurt. But because grapefruit is grown in the lower part of the citrus belt, less touched by the 1983 freeze, this year's crop is expected to be down, but not devastated. According to Lins, it should be 85 percent of last year's crop, with next year's crop expected to be back to nearly normal.

Normal, that is if the citrus canker scare subsides and the disease is not found in mature citrus trees or fruit. In the meantime, grapefruit to be exported will continue to be dipped in a chlorine solution, a safety precaution which, Lins says, may continue for another year.

The citrus canker situation is of particular concern as it pertains to citrus shipments to Japan, the largest importer of

Florida grapefruit. Japan is infected with canker, as are many citrus-producing countries, and grows no grapefruit because the trees would succumb to the disease. But the Japanese have dealt with the situation and have been able to grow canker-resistant unshu oranges. The fact that they have learned to live with citrus canker may explain why the Japanese did not react negatively when canker was discovered in Florida. It would have been a tough situation for the Florida citrus industry if the grapefruit shipments to Japan had been cut back since that country is expected to lay claim to 20 percent of this year's Florida grapefruit crop.



Despite the reduction in this year's crop and the canker scare, grapefruit exports from Tampa are booming. Last year at Eller and Company's Harborside Refrigerated Services, about 2.5 million boxes of fresh grapefruit were shipped to Japan. "This year we expect that number to climb one to two million boxes," says Boettel of Harborside. "We could almost double last year's total."

The fact is that Tampa is getting a bigger share of the market. As Fernando Torres of Fillette Green and Company of Tampa puts it, "Tampa saw its advantage and took it."

Without doubt, the circumstances which brought about Florida's decline from world citrus king to runner-up have brought hardship to many...growers...investors...processors...farmworkers...and others. Lives have been changed. Incomes have been lost or cut back. But if there is a note of cheer to be found, it is this: not all the dollars lost in citrus revenues have left the state. Some of those dollars are finding their way to Tampa's shipping community and related industries, providing revenue increases and adding to the West Central Florida economy.