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AGRICULTURE

Small orange crop likely means pricier juice

A 'hurricane hangover,' a surprise cold snap and loss of land for trees are causing Florida's orange crop to shrink. Consumers should expect to pay.

By Phil Long

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That glass of orange juice on your breakfast table, already pricier than it was last year, is likely to cost you even more.

This season's Florida orange crop will be the smallest in more than 15 years because of a cold snap earlier this year, the continued loss of land for trees and the lingering effect of 2004 and 2005 hurricanes.

The season's first agricultural forecast puts orange production at 135 million boxes -- down 9 percent from last year's 148 million boxes, which was already low.

The news means consumers -- who are already paying more for orange juice -- are likely to see prices go even higher, experts say.

Orange juice was \$4.89 a gallon last month, compared to \$4.50 a gallon a year ago. And suppliers of major brands of juice began raising wholesale prices in September, said Bob Norberg, a deputy executive director at the Florida Department of Citrus. "I would expect that retail prices will continue to go up this year," Norberg said.

Already, PepsiCo, the world's second-largest soft-drink maker, said Thursday it is raising prices on some Tropicana drinks to cover higher costs, according to a Bloomberg News report. PepsiCo said its profit for the third quarter in the United States fell in part because oranges cost more.

Orange-juice futures soared to a 16-year high Thursday, Bloomberg said.

Part of the problem is that trees are still suffering from hurricanes in 2004 and 2005 that left no area of the citrus belt unscathed. Groves on the Treasure Coast were tortured at least three times by hurricanes during the two seasons.

"It is obvious that the citrus trees of Florida continue to feel the stresses caused by high wind, including the accelerated spread of diseases and pests," Norberg said.

Trees are still trying to replace leaves damaged by hurricanes, so they have less energy for growing fruit, said Andy Taylor, former chair of the Florida Citrus Commission.

"It's a little bit of a hangover -- hurricane hangover here," said Taylor, a vice president for Becker Trading, Peace River Citrus Products.

To make things worse, an unusual cold front last winter damaged blooms, contributing to the smaller crop.

Also, the state has lost 127,182 acres of land for citrus -- about a 17 percent drop from the acreage in 2004. Many trees were bulldozed in an ill-fated attempt to stop the spread of citrus canker.

Grapefruit production will likely be up considerably -- 26 million boxes projected for this season compared with just over 19 million boxes last season. But the grapefruit crop is still far smaller than in the past.

In the short run, small crops mean higher prices for growers. But in the long run, a small citrus crop is not good news for the industry, Taylor said, because the price increase will mean losing some customers. Already, orange-juice consumption in the United States has declined over the past six years from 872.5 million gallons a year to an estimated 745 million.

"They are going to be drinking something else in the morning, and we don't want them drinking something else," Taylor said. "We want them drinking orange juice."

Paula Krommers is still buying orange juice but has noticed the price increase.

"They used to be two for \$4, and now the specials are two for \$6," she said, as she shopped at a South Florida Publix with her young son. "Which is crazy, considering we live in Florida."