

Posted on Mon, Jul. 17, 2006

AGRICULTURE

Big Sugar targets organic market

Florida Crystals Corp. never imagined the success of its organic sugar when it planted the first cane nine years ago.

By Susan Salisbury

The Palm Beach Post

When Florida Crystals Corp. decided to try growing and processing sugar cane for the organic market nine years ago, even some of its top officials were skeptical.

"The biggest challenge was the processing. How do you process it without chemicals?" said Ricardo Lima, vice president and general manager of the firm's Okeelanta Corp., which includes 65,000 acres of cane fields, plus a mill, processing plant and distribution center. I said, "That's not possible. You're nuts." But we decided to try it, starting out with 50 to 60 tons of sugar.

Another challenge was the organic operation's size. Florida Crystals has 160,000 acres of cane, and the project was designated for a tiny portion of that.

"Organic sugar is a small niche market," Lima said. "We are used to producing large volumes of everything."

Still, the company felt it was time to pursue it.

"The organic movement had been around a while, and there was a need for organic sweeteners," said Stephen Clarke, director of industrial research and development at Okeelanta.

EFFORT PAYS OFF

Now the sugar producer is enjoying the sweet taste of success.

Today, Florida Crystals of West Palm Beach is the nation's only producer of certified organic sugar -- grown without herbicides or pesticides. The rest of the nation's organic sugar supply is imported from other countries.

Florida Crystals grows organic cane and rice on 3,800 to 4,200 acres each year, and peak production of organic sugar has reached 3,600 tons. That's a very small percentage of its total sugar output, which has reached 900,000 tons in years not affected by hurricanes.

This fall, the company -- a division of the Fanjul family's Flo-Sun -- plans to increase its organic production by another 900 acres west of its Okeelanta Mill south of South Bay, where its existing organic farmland is. With the addition, the company will have 20 times the organic farmland with which it started in 1997.

Michael DeLuca, Florida Crystals' vice president for specialty ingredients, said 80 percent of the company's organic sugar business is conducted with 100 or so food industry customers. The sweetener is used in products such as Silk soy milk, Kashi cereal, Tazo tea and Clif Bars.

"We always felt that sooner or later the mass-market companies such as Kellogg's, Kraft and General Mills would move into organics, providing explosive growth for the industry," DeLuca said.

OREOS GO ORGANIC

The prediction was correct. Kraft, which owns Nabisco, will be coming out with organic Oreos, the nation's top-selling cookie, in the near future, DeLuca said. Florida Crystals will supply sugar for organic Oreos, as it does the organic sugar -- as well as the rice -- for Kellogg's Organic Rice Krispies. The cereal hit supermarket shelves last month.

The other 20 percent of Florida Crystals' market is in sugar sold directly to consumers, who can buy it in 14-ounce or 48-ounce canisters or 32-ounce bags at retail stores including Publix, Albertsons, Winn-Dixie, Whole Foods Market and Wal-Mart.

"Organic sugar is outpacing the overall organic food growth," DeLuca said. "We sell everything we produce."

Cookies, cakes and candies made with organically grown products are nothing new, and while it might be more healthful to eat an apple instead, at least the organic products are better for the environment, say advocates for the organic movement.

Before an organic crop is begun, the field cannot have had any herbicides, pesticides or chemicals applied to it for three years, said Raul Perdomo, Okeelanta's director of agriculture research.

The harvest also differs because the fields are never burned before the harvest to rid them of debris, as they are with conventional cane.

Perdomo drove through the conventional sugar cane fields and the organic fields on a recent morning. The organic fields are easy to spot because they are plagued with half a

dozen major weeds such as ragweed and giant barnyard weed, some of which have grown as high as 5 feet tall.

"Weeds are the number one challenge," Perdomo said. Because of the proliferation of weeds, only one crop is harvested from each planting of organic cane, instead of the usual three years of crops from each conventional cane planting.

After the organic cane is harvested, the field is flooded and organic rice is planted. Rice and cane crops are rotated each year, and the flooding helps keep the insect and weed populations down.