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AGRICULTURE

Giant sugar mill looks to sweet success

In an effort to keep pace with the pressures of globalization, U.S. Sugar is building the third-largest sugar mill in the world.

By Susan Salisbury

Palm Beach Post

Deep in Big Sugar land, a new mill is rising that wants to be the biggest of them all.

U.S. Sugar is pouring more than \$100 million into an expansion and modernization of its 1927 Clewiston Sugar Mill that will turn it into the largest in the nation and third-largest in the world, the company says.

The mill is U.S. Sugar's answer to the globalization that is washing over the sugar industry, like most other industries. To stay in business in the face of more sugar imports, the company wants to compete with low-cost producers such as India, Brazil and Thailand, the last two home to the world's largest sugar mills. However, labor costs in those countries are much lower and environmental standards less stringent.

So U.S. Sugar is on a mission to become the nation's most cost-efficient sugar producer, with the help of the new mill.

"This will make us the lowest-cost producer in Florida and the U.S.," spokeswoman Judy Sanchez said.

Florida grows close to 400,000 acres of sugar cane, the bulk of it in Palm Beach County. However, a recent study by Oxford, England-based LMC International found Florida was the 18th-lowest-cost producer of sugar when compared with 107 cane and sugar beet-producing countries, Sanchez says.

So U.S. Sugar embarked on project Breakthrough.

The company brought experts -- many of them mechanical and chemical engineers who have worked in the sugar industry in more than 30 countries -- to its headquarters in Clewiston. In early 2004, it assembled a team of 20 people it called the Technology Forum. They spent two weeks mapping out the process of building a new plant and determining which technology to use.

"The technology is from Brazil, South Africa, Louisiana, Finland and France," said Arno Jansen, 45, the project manager, who is originally from South Africa, during a tour of the mill and refinery on 200-plus acres. "A lot of the guys here are from South Africa, Europe, the U.K."

The three-year project is two-thirds done. The third phase -- completing the refurbished sugar-boiling house -- is scheduled for October. The mill will grind 38,000 to 40,000 tons of cane a day.

The expansion is being done around the existing mill, which is still operating during the project. A group of 78 people worked on the design phase. Construction began in 2005, with as many as 800 construction workers a day at the site.

Among the ways the mill will save money: more automation and fewer jobs.

The company's Bryant mill, in operation since 1963 at Canal Point outside Pahokee, will close when it wraps up its final season this year. All the company's milling operations will be consolidated at the Clewiston mill.

As in numerous other industries facing globalization, employees will take a hit. The milling workforce will be cut 60 percent from 570 employees at the two mills to 226, says Neil Smith, U.S. Sugar's vice president for sugar manufacturing and a chemical engineer.

"Because of sugar allocations, you can't sell more sugar," Smith says. "We had two factories. We decided combining the two would be the most cost efficient."

Automation is evident at the mill's control room, which five employees run with 20-plus computers and several overhead video screens enabling them to monitor and control the operation.

"The sugar mill and the refinery are run from this room," Jansen says. "The old plant had a lot of people walking around. They would have been manually checking things. Now it's done from here."

The company's push toward increased mechanization and technology reflects the U.S. sugar industry's effort to remain competitive, says Dalton Yancey, executive vice president of the Washington-based Florida Sugar Cane League.

There's been consolidation and vertical integration throughout the industry during the last four years, he says.

"You used to be able to grow your way into efficiency," he says. "Now you have to build your way into efficiency through better processes."